

The City of Belfast, Maine

HARBOR AND WATERFRONT MANAGEMENT PLAN

September 1991

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*A Study By The City of Belfast
Harbor and Waterfront Management Plan Committee*

PURPOSE

The Comprehensive Waterfront and Harbor Management Plan has been prepared to direct the management of harbor and waterfront resources in the City of Belfast. Like many Maine coastal communities, Belfast faces the challenge to manage the impact of future growth and development upon coastal areas.

Historically, the harbor has been oriented towards fishing and industrial uses. Within the past ten years, however, there has been tremendous growth in the number of recreational moorings. At the same time, Belfast's waterfront has and will continue to undergo major changes as some of the waterfront's most prominent buildings are, or will soon be, vacated (included is a vacant poultry processing plant, a vacant shoe factory, an operating lumber warehouse and manufacturing facility). The future use of these properties will profoundly affect the harbor, the waterfront, and the adjacent downtown area.

City officials feel that, if existing planning mechanisms are improved to direct harbor and waterfront development in a manner that will benefit the City, Belfast's harbor and waterfront problems can be turned into opportunities. This project will provide Belfast with an opportunity to assess problems and opportunities associated with different development scenarios, and to develop planning and implementation strategies that will assist in maintaining and enhancing the economic viability of the harbor and waterfront area.

Recommendations contained within include both short term and long term management implementation strategies. This plan, therefore, should be utilized as a "tool kit" to be implemented and updated over time. This plan provides the City of Belfast with a management plan for future utilization of its waterfront and harbor resources. The plan also contains recommendations for future shoreland zoning provisions, as well as recommendations for municipal improvement projects.

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Harbor and Waterfront Plan Committee

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The Economic Development Administration

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The Belfast Planning Board
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CONTENT

	Page No.
PART 1: EXECUTIVE SUMMARY	1
PART 2: MARKET ANALYSIS SUMMARY	15
PART 3: ANALYSIS AND POLICY DEVELOPMENT	21
• Future Land Use	• Port and Harbor Resources
• Public Access and Open Space	• Municipal Action Plan
PART 4: IMPLEMENTATION STRATEGY	34
• Descriptive Summary	• Potential Funding Sources
• Priorities and Fiscal Expenditures	
PART 5: APPENDICES	44
• Market Potential Analysis	
• Public Opinion Survey	• Waterfront Zoning Language
• Inventory Mapping	• Coastal Planning Grant Application

EXECUTIVE SUMMARY

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INTRODUCTION

The year 1991 marks the onset of a new era of change on the Belfast waterfront. Perhaps more so than at any time in the recent past, the City of Belfast has a great opportunity to influence the destiny of its waterfront image, character and functional utility. The challenge is ultimately created between the need to promote immediate economic revitalization and the desire to control the ultimate future of appropriate waterfront development. This plan is developed in response to waterfront planning policies established in order to direct the future growth and management of waterfront and harbor resources. The focus of the plan is placed upon the importance of shoreline and water resource management which recognizes the inevitability of change and the need for the City of Belfast to play an active role in that process.

Process

The planning process is initiated by conducting an inventory of existing conditions including, but not limited to, existing land use, harbor conditions and conflicting harbor uses, municipal infrastructure, and sensitive natural resource areas. Based upon analysis of existing information, public opinion regarding waterfront needs, and upon direction from the Harbor and Waterfront Plan Committee, a series of goals and objectives formulate the framework of the plan. Finally, recommendations and implementation strategies are developed to serve as a "tool kit" for future management purposes. It is important to note that many recommendations are long-term and, in as much, require further evaluation and implementation over time. Specific aspects of the Comprehensive Harbor and Waterfront Management Plan include the following...

WATERFRONT LAND USE

Policy: To stimulate economic revitalization of the waterfront while supporting shoreline management which gives preference to water-dependent uses and the provision of public access to the waterfront, and to encourage redevelopment which is compatible with existing land uses and environmentally sensitive areas.

In the last decade, the Belfast waterfront has witnessed significant change respective to waterfront land use. In the waterfront areas adjacent to downtown, virtually all of the City's most prominent buildings have been vacated. Prominence, in this case, refers to the scale of these large, industrial operations which have since closed or relocated to other areas within the City. In this process, a major sector of the waterfront remains vacant and underutilized. On the heels of industry leaving the waterfront came the revitalization of the downtown and public waterfront facilities. Main Street was improved with granite curbing, brick sidewalks, benches and period lighting fixtures. On the bay, a new breakwater and launch ramp were constructed, and the City established a public park with impressive open space along the shoreline.

This plan establishes the framework for the future of the Belfast waterfront. Based upon the review of existing conditions, issues affecting waterfront areas, and market assessment studies, recommendations for waterfront land use are responsive to viable alternatives for future growth. As Belfast is poised for its next period of change, proper management of land use development is vital in controlling the ultimate character of waterfront areas.

The Downtown Waterfront

In downtown waterfront areas, it is recommended that industrial uses be prohibited in the future. As an exception, the Stinson Canning Company property could remain industrial if abandoned for more than one year, provided that the new operation requires a waterfront location. Between Front Street and the harbor, preference is given to land uses which are dependent upon a waterfront location. While these water-dependent uses and marine-related uses are preferred, additional uses should be allowed in order to accelerate economic development. Proposed permitted uses include retail stores and restaurants, professional offices, municipal uses, and residential dwelling units (limited to upper floors only).

The Waterfront and Harbor Management Plan Committee considered and rejected a requirement that a certain percentage of this area be developed as water-dependent/marine related uses. While this area contains the only suitable conditions in the City for these uses, the Committee finds that a percentage requirement would negatively impact the rate of waterfront redevelopment. In recognition of the importance of water-dependent/marine related uses, however, density bonuses and other incentives are proposed for future projects including these uses. These incentives should also be considered for development proposals which provide for public access to the waterfront or which preserve open space and views to the harbor in all districts.

Less restrictive land use controls are proposed uphill from Front Street and adjacent to the downtown business district and residential neighborhoods as these areas are not suitable for water-dependent uses. Within this area, uses include office complexes, hotels, motels, and residential planned unit developments. Incentive zoning opportunities are also recommended in this area for development proposals which provide for public access to the waterfront or which preserve open space and views to the harbor.

Within the downtown waterfront area, the plan also recommends that the City control the architectural design of new structures and renovated structures. This recommendation is made not to stifle innovative architectural design, but rather to ensure the compatibility of future projects with existing downtown businesses and residential structures. As redevelopment projects are undertaken, existing structures will require minor or significant external improvements in order to comply with architectural compatibility requirements.

Municipally owned properties in the downtown waterfront areas will continue to play a key role in the redevelopment process. The Heritage Park property should remain devoted to public access and open space. It is further recommended that the center building be removed in association with the development of Federal Street as a primary pedestrian link between downtown and the waterfront. The remaining two structures should be utilized to support the public landing, marine related business, and visitor services.

Additional recommendations pertain to the sewage treatment plant property, municipal parking areas, and the land containing the Belfast and Moosehead Lake Railroad. Due to its proximity to the waterfront and downtown businesses, the sewage treatment plant should be covered to reduce odors and should be intensively landscaped to soften its impact on adjacent land uses. Municipal parking areas should be expanded to satisfy future demand and should be landscaped to improve the pedestrian experience and linkage to downtown and waterfront pedestrian routes. As of this writing, the City of Belfast is seeking proposals from the private sector for the development of a marina facility at the railroad property. The Waterfront and Harbor Management Plan Committee finds this effort to be supportive of the overall plan presented herein.

The East Side Waterfront

Land use on the east side of Belfast Bay is driven by two primary factors: harbor conditions and the U. S. Route One corridor. As a general rule, the east side of Belfast Bay is comprised of extensive mud flats and, therefore, unsuitable for water-dependent uses. As an exception, Youngs Lobster Pound is an established business whose activities include wholesale and retail lobster sales, as well as a fine restaurant. The U. S. Route One corridor supports a variety of land uses emphasized by a proliferation of motel establishments. In addition, the East Side contains a significant residential population which enjoys "the view" across the harbor to downtown.

Analysis of existing developed areas reveals great potential for future development on the East Side. In addition to some undeveloped parcels, there exists significant development potential between the U. S. Route One "strip" and the waterfront. Because this area is serviced by municipal utilities and is relatively free from environment constraints, it is generally suitable for continued development.

This plan does not recommend changes to existing zoning districts and permitted land uses on the East Side, with the exception of dimensional revisions required for compliance with State-mandated Shoreland Zoning regulations. The Waterfront and Harbor Management Plan Committee finds that the mixed uses currently permitted in this area are appropriate with historical and recent development patterns. The Committee further envisions this area as prime real estate with great potential for positive social and fiscal benefit to the residents of the City. Due to the presence of U. S. Route One and harbor conditions, development of the East Side will not significantly detract from the revitalization of the downtown waterfront.

The Passagassawakeag Waterfront

Some may find it difficult to identify where the transition occurs between the Passagassawakeag River and Belfast Bay. In physical and cultural terms, the former and present U. S. Route One bridge structures establish a definable edge condition. Beyond the bridges one enters a separate landscape characterized by steep terrain and undeveloped areas interspersed with pockets of residential development.

This plan recommends that future land use in this area remain residential. In addition, excessively steep areas should be designated for resource protection in order to retain the integrity and environmental character which exists today.

PUBLIC ACCESS and OPEN SPACE

Policy: To ensure adequate future public access to shoreline areas, while maintaining the environmental integrity of the coast, and to promote the retention and development of open space in waterfront areas.

The City of Belfast has established excellent public access to the waterfront in association with the Heritage Park property and public landing development. As the physical and visual terminus of Main Street, this access facility and associated open space provide a strong connection with downtown and offers an inviting atmosphere within the heart of the Belfast waterfront. While the City landing and park area represent significant facilities for the City, future demand for access and open space will necessitate the development of additional facilities.

Competition for parking and access at the City landing is created by various groups, including commercial fishermen, recreational boaters, marine-related businesses, and the seasonal tourist population. The presence of the Weathervane Restaurant further exacerbates competition for parking space.

While the commercial fishing industry is limited in Belfast, it is important to ensure that commercial fishermen have adequate access to the harbor. Presently, the fishermen utilize the City landing and adjacent parking facilities. In so doing, these individuals must use the ramp and float system also used by recreational boaters. This shared use inhibits commercial operations and often offends recreational boaters. This plan recommends that the City establish a location separate from the City landing for the exclusive use of the commercial fishermen in Belfast. The Stinson Canning Company has expressed a willingness to utilize a portion of its property for this purpose. The City, in association with local commercial fishermen, should pursue and implement a perpetual access agreement in this location.

Respective to the existing landing, the City should consider further limitation and restrictions for use of parking facilities. As parking demand increases, the natural inclination may be to expand parking facilities into the existing open space and picnic areas. This action would represent a loss of significant value to the municipality. The City should continue to allow short-term parking only and, as demand increases, develop a drop-off zone supported by additional public parking areas not located on the shoreline.

Implementation of future public access facilities and open space areas may be accomplished by two primary methods. The first method is to encourage private development projects to incorporate these amenities. Through incentive zoning provisions, private developers may incorporate public access to or along the shoreline into their development plans. In addition, incentives may be offered for the retention of open space and view corridors to the harbor. Areas reserved for open space or view corridors need not necessarily be available for public use.

Bonus or incentive zoning provides flexibility in land use decisions. The municipality typically retains discretion to permit or deny a specific proposed "bonusable" amenity. Furthermore, implementation does not demand a sophisticated or expensive administrative program.

Incentives, which are considered on a case-by-case basis, may include increased densities, reduced setback dimensions, or other provisions related to a specific development proposal. Under this framework, the burden of the proposed incentives lies with the development proposer, not with the City. As aforementioned, the City may permit or deny any proposal based on the merits of its value to residents of the City.

The second method for implementing additional public access and open space areas is for the City to take an active role in the development of these facilities. Recommendations include the following municipal objectives:

- Urban mini parks at the foot of Commercial Street, at each side of the former U. S. Route One bridge, and at the pedestrian exits from the municipal parking area at Main Street.
- A passive recreation park adjacent to the Goose River on the East Side.
- Perpetual retention of open space at the City-owned Heritage Park property.

PORT AND HARBOR RESOURCES

Policy: To provide for maximum utilization of the harbor for commercial and recreational use while protecting and improving water quality and natural marine resources.

The Belfast Harbor Advisory Committee is to be commended for their efforts associated with harbor management planning and operations. In the past six years, the Advisory Committee has undertaken a comprehensive approach to the management of the harbor and municipal port facilities. The harbor ordinance currently in place is extremely thorough. Mooring locations have been mapped in accordance with the Maine State Plane Coordinate System. In terms of operations, the harbor is fiscally self-sufficient in terms of municipal expenditures.

Recommendations pertinent to port and harbor facilities include physical harbor improvements, as well as the creation of additional mooring areas. Physical harbor improvements proposed include a 400 foot pier extending from Commercial Street into the harbor. This facility would provide for pedestrian access, as well as improve conditions for future marina development behind the breakwater.

On the opposite side of the bay, a 500 foot wave attenuation device is proposed to extend into the bay from Patterson Point. While not intended for pedestrian access or berthing, this structure will mitigate wind and wave action within the harbor, and improve conditions for marina development or concentrated vessel moorage.

In addition to marina development within the harbor, the Harbor Advisory Committee should consider more effective use of moorage areas. In lieu of individual point moorings, two point float berthing systems should be utilized to increase the density within moorage areas.

The plan further recommends dredging the area beyond the U. S. Route One bridge to provide for increased moorage space. Due to the height limitation imposed by the former and lower bridge structure, this area should be dedicated to power boats only.

Finally, it is recommended that the City take an active role in the protection of water quality and marine resources within the river and harbor. These resources provide habitat for shellfish and marine worms which represent a commercial and recreational resource to the community. Additional species found in these waters include Atlantic Salmon, Alewives, Rainbow Smelt, Mackerel and the American Eel. In addition, intertidal flats provide important habitat for numerous species of waterfowl.

The Maine Department of Marine Resources verifies that, while these habitat areas were once open to shellfish harvesting, they are presently closed due to pollution. In cooperation with this and other State agencies, the City should undertake a long-range plan to improve water quality and reopen these areas for commercial and recreational use.

MUNICIPAL ACTION PLAN

Policy: To promote the involvement of the City of Belfast in the redevelopment of its waterfront and harbor as the City must play a key role in the short-term and future utilization of these resources.

Beyond plan components which address waterfront land use, public access and open space, and port and harbor facilities, municipal leadership is critical. Together, these aspects of the plan formulate the overall redevelopment plan and define the City's control during the implementation process. Key elements of municipal involvement include the following:

- Create a Waterfront Redevelopment Corporation whose mission would be to actively pursue the implementation of the Comprehensive Waterfront and Harbor Management Plan.

Because a development corporation is formed for public purposes and will not itself accrue profit from its operation, it is tax exempt and can be fueled by any combination of member dues, private or public grants, State and Federal loans, and in-house revenues. Specific objectives of the development corporation include the following:

- Assist the Planning Board and City Council in the implementation of revisions to zoning ordinances.
- Assist the present owners or prospective developers of the major vacant waterfront parcels in the redevelopment plans for these properties.
- Support the local commercial fishing industry.
- Coordinate land and water development issues with the Harbor Advisory Committee.
- Pursue funding and grants to facilitate harbor and waterfront improvement projects.
- Maintain momentum and direction for the waterfront redevelopment process.

- Implement improvements to Front Street as a means of enhancing the waterfront and attracting private waterfront redevelopment projects. Between Commercial Street and the former U. S. Route One Bridge, Front Street should be improved to include curbing, sidewalks, landscaping and period lighting fixtures. Design details should repeat those used in the improvements to Main Street and downtown. As part of these improvements, the turning radius from Main Street onto northbound Front Street should be increased for improved safety.
- Develop Federal Street as a primary linkage between the municipal parking area on Main Street and the waterfront. As vehicular traffic will utilize Main Street as the primary route to the waterfront, Federal Street should be developed as a pedestrian way from the downtown business district to Front Street and Heritage Park. In conjunction with this project, the City should demolish the center building in Heritage Park. Removal of this structure will provide a strong visual link to the harbor as the pedestrian descends Federal Street from the downtown area.
- Expand the municipal parking area on Main Street as the demand for parking is increased by waterfront redevelopment. The expansion area should occur between the existing parking area and the sewage treatment plant. As retaining walls may be required for this expansion, the City should plan for the associated construction costs and proper timing for this project. In conjunction with this effort, the City should develop "pocket parks" at both the Main Street and Front Street pedestrian exit locations. The descent to Front Street should be designed for an accommodating route for handicapped and elderly pedestrians. Pocket parks will serve as pedestrian collection areas with seating and community information kiosks. Design details should be compatible with area sidewalks; crosswalks should be planned to direct pedestrian traffic across Main Street to Federal Street and across Front Street to waterfront destinations.

- Conduct an engineering study of the sewage treatment plant to determine methods of reducing odors generated by the plant. Dome covers should be considered as an alternative solution. Should the City require expansion of its treatment capacity, new sites should be considered for additional facilities. If new sites are not feasible, any expansion must be carefully designed as to minimize the impact on adjacent downtown and waterfront areas. In the short term, sufficient landscape materials should be planted to screen the existing facilities. In addition, the City should measure the impact on water quality in the harbor generated by the existing facility. If feasible, the City should extend the outfall to the outer limits of the harbor.
- Establish waterfront mini-parks at the foot of Commercial Street, and at either terminus of the former U. S. Route One bridge. These parks should include night lighting and seating to support passive recreational use.
- Establish a significant municipal park on the East Side adjacent to the Goose River and its confluence with the harbor. The City must negotiate the right to implement this facility with Central Maine Power Company, present owner of the property. The park design program should be focused on passive recreation activities. Facilities should include limited, but sufficient, parking, walking paths, seating, and night lighting. In addition, interpretive signage should be incorporated to provide educational information on the Goose River, Belfast Bay, fisheries and marine resources, and hydroelectric infrastructure.

- Remove the existing railroad tracks to the south of the Belfast and Moosehead Lake Railroad Yard. As industrial uses are phased out of the waterfront, the existing tracks will no longer serve any useful purpose. Removal of the tracks will allow utilization of the railbed as a pedestrian way.
- Conduct an updated engineering study to evaluate the structural stability of the former U. S. Route One bridge. In the early 1980's the City conducted a study which concluded that the bridge required repairs for short-term stability and major structural repairs for long-term utility. As a long range objective, the City of Belfast should implement the major structural repairs required. In the short term, the City should undertake an annual professional inspection of the bridge to evaluate safety conditions and close the bridge to pedestrian traffic, if necessary. Ultimately, the bridge should serve as a pedestrian and bicycle path linkage from the downtown waterfront to the East Side.

MARKET ANALYSIS SUMMARY

MARKET ANALYSIS SUMMARY

Market Decisions, Inc.'s role in the development of the plan was to provide a brief overview of the market supports for a limited number of uses as they related to the waterfront redevelopment. The four types of development that were analyzed included:

1. Marina
2. Marine related retail
3. Hotel
4. Office

The market overview for each use included:

1. Identification of market area
2. Demographic and economic overview
3. Demand analysis of potential market supports

The overview does not include a detailed evaluation of the competitive environment with respect to each use. Therefore, though the demand analysis may indicate the overall market for a use, we cannot determine to what extent that demand is currently being satisfied by comparable facilities in the Belfast area. Because a comprehensive market study was not conducted for each use, definitive conclusions and recommendations concerning the four different uses, therefore, cannot be determined.

Marina Potential

Based on the trade area identified in the study by Market Decisions, there are estimated market supports for approximately 100 marina slips in Belfast. It is important to note that this estimate of demand is a "ballpark" figure based on available official data sources and extrapolating data from previous marina market studies conducted by Market Decisions in the mid-coast area. Since no survey of boat owners has been conducted to measure specific interest in Belfast Harbor, it is difficult to determine demand with a high degree of accuracy. However, Market Decisions believes that the analysis does provide an order of magnitude of the demand potential for the development of a marina in Belfast. Market Decisions cautions that previous marina studies have indicated a price sensitivity with respect to slip rents in the mid-coast area. This sensitivity stems from, in part, the economics of the area and a loyalty of boat owners to inexpensive moorings at \$30 (local) and \$90 (non-resident) per season.

Market Decisions recommends that a prerequisite of the development of a marina be a comprehensive market study to determine: (1) cost analysis of a marina; (2) a more specific determination of demand for slips in Belfast Harbor; and (3) the price sensitivity to those slips.

Market Decisions recommends that the City of Belfast pursue a private developer for a marina project. Of the four uses analyzed, we believe this to be the best use alternative. A marina project should serve as a catalyst for the long-term overall development strategy of the waterfront.

Marine Related Retail

Much of the supply needs of boat owners in the Belfast area are currently being served by area marine retail stores such as Hamilton Marine in Searsport, the largest marine retail store north of Boston.

Market Decisions believes that the marine retail use poses somewhat of a "chicken and egg" dilemma. On one hand, the size and range of supplies offered by a marine store will be directly related to the size of the marina, including the number of boats in slips and on moorings, as well as the number of transient boats using Belfast as a stopover point. The transient boat owner will have the greatest influence on the range of supplies to be offered. The other factor in the dilemma is that marine supplies must be available when the marina opens.

Therefore, Market Decisions recommends that a marine supply store that sells a limited range of items be part of the overall marina development plan. Though most of the local boat owners will choose to shop at Hamilton Marine (or one of the other marine retail establishments in the mid-coast region) to purchase a majority of their supplies, a marine store on the waterfront can serve to fill their immediate demands. Any marine retail activity should position itself and provide for flexibility with respect to providing a range of supplies demanded by transient boat traffic.

Hotel Potential

Based on the trade area identified in the market study, indications are that the market supports do not exist at this time for a moderate size (40-50 room) hotel on the Belfast waterfront. The demand for transient rooms is generated by two broad markets: leisure or pleasure travel and business travel (including conventions and conferences). Based on hotel industry standards and requirements, a new moderate size project would need to achieve a minimum annual occupancy rate of 65% in order to be profitable. Based on historical occupancy rates of Belfast area hotels and previous tourism market studies conducted for the Maine State Development Office, it is doubtful that this level of performance could be achieved. Market Decisions recommends that this use not be pursued at this time.

Office Potential

Market Decisions (with assistance from the Waldo County Opportunity Zone) estimates that there are approximately 125,000 - 130,000 square feet of office space in the Belfast area. This figure does not include office space that is associated with manufacturing facilities, such as Penobscot Frozen Food or Stinson Canning. The demand for office space depends on new business formation in the area, on businesses relocating to the area, and on local businesses expanding.

Based on national standards, on average approximately 200 square feet of office space is allocated per white collar employee. According to the Maine Department of Labor, there was an annual average of 640 white collar employees working in the Belfast LMA in 1990. Based on an average of 200 square feet per employee, there is a current estimated demand of 128,000 square feet of office space in the market area.

Current market conditions indicate that much of the office space being absorbed in Belfast (primarily at the Belfast Center building) is by firms seeking more space with better amenities, such as parking, for the same or lower lease rates. Professionals, including doctors, lawyers, accountants, etc., also have the option of purchasing single family homes and converting them to office space.

The Maine Department of Labor data does not suggest that the Belfast area will likely experience growth in white collar jobs that will justify the need for the development of moderate to large amounts of office space in Belfast during the next five years.

Market Decisions recommends that development of office space not be a primary focus of the Belfast waterfront plan.

Any future potential for the creation of an office space project on the Belfast waterfront will need to offer quality space in flexible sizes, with amenities such as ample parking, in order to be successful. It appears that the current demand for office space in the Belfast LMA is being adequately served. Market Decisions believes that, unless a moderate to large employer moves to the area or Belfast can position itself as a strategic location for a satellite office for firms serving the mid-coast, there will not be adequate growth in the employment sectors that demand office space to make an office project feasible at this time.

POLICY DEVELOPMENT

ANALYSIS AND POLICY DEVELOPMENT

INTRODUCTION

This section of the Comprehensive Waterfront and Harbor Management Plan establishes a series of policies and objectives which formulate the framework for recommendations contained within the plan. The policies and objectives are derived from the study of existing conditions, issues identified by these studies, market analysis and assessment, and by public opinion received during the formulation of the plan. Policies and objectives plan components address waterfront land use, public access and open space, and port and harbor resources. In addition, policies and objectives have been developed respective to the involvement of the City of Belfast in controlling the future of its waterfront and harbor areas.

A. WATERFRONT LAND USE

Policy: To stimulate economic revitalization of the waterfront while supporting shoreline management which gives preference to water-dependent uses and the provision of public access to the waterfront, and to encourage redevelopment which is compatible with existing land uses and environmentally sensitive areas.

Objectives: The following specific objectives are developed in support of this overall policy statement which pertains to three land use districts comprising the Belfast waterfront.

The Downtown Waterfront

A-1. Utilize the City-owned Heritage Park buildings to stimulate water-related land uses, as well as for tourist information and services.

- These buildings contain approximately 2,600 square feet of leasable space and are currently utilized primarily on a seasonal basis. Year round utilization will require improvements, including insulation, plumbing, and mechanical work.

- The market analysis concludes that marine uses will stimulate redevelopment activity. Insomuch, the City has the opportunity to lead this direction by controlling the leases on existing structures.
 - These buildings may serve as the "municipal gateway" to the waterfront, both from the land and from transient harbor users. The City should capture this opportunity to provide tourist information services.
- A-2. Promote the development of water-dependent and water-related uses where conditions are favorable for these uses.
- The waterfront area between Commercial Street and the old U. S. Route One bridge is ideally suitable for these uses, and there are limited environmental constraints in this area.
 - These uses are most suitable within the proximity of Heritage Park and existing uses, including Belfast Boatyard, Penobscot Bay Towing Company, and the Consumer Fuels Company marina.
 - Public opinion favors these uses. The percentage of responses from the public opinion survey in favor of these uses include marine-related retail (88% in favor), marinas (73%), boat building and repair (75%), and commercial fishing (82%).
- A-3. Permit the development of uses which are not water-dependent nor water-related in shoreland areas suitable for these uses, in order to stimulate the rate of waterfront redevelopment.
- Market analysis and assessment indicates that there is limited potential for water-dependent and water-related uses in the short-term future.

- The size and configuration of waterfront parcels dictates the necessity to develop upper floors of existing or proposed structures which does not generally support water dependent nor water-related uses.
- Public opinion does not support zoning amendments which would require land uses which are water-dependent (65% opposed). In turn, public opinion supports land uses which are not water-dependent provided that these uses are compatible with and do not interfere with water-dependent uses (67% in favor).

A-4. Encourage redevelopment which is compatible with the existing business district and residential neighborhoods in order to establish physical and cultural linkage between these areas and the waterfront.

- As Main Street exemplifies the "character of the City" and provides the primary route to the waterfront, the City has the opportunity to establish a strong linkage between this business district and the waterfront.
- Downtown residential neighborhoods are currently isolated from the waterfront due to the scale of industrial buildings and the undesirable pedestrian environment associated with these properties.
- New structures or remodeled structures should repeat materials used in the Main Street district and in residential neighborhoods in order to provide continuity with existing structures.

A-5. Prohibit industrial uses in the downtown waterfront with the exception of the Stinson Canning Company which is dependent upon its waterfront location.

- The 1990-1991 proposal to re-open the Penobscot Poultry Plant raised serious concern within Belfast and surrounding communities. While many area residents favored the proposal, their basis for support was most probably based upon prospective employment opportunities.
- Industrial uses are incompatible with existing business areas and residential neighborhoods respective to the scale and bulk of structures, noise, truck traffic and safety, and the general lack of compatibility due to the inherent differences between industrial uses and non-industrial uses.
- Industrial uses may create adverse impacts upon water quality within the harbor.
- Industrial uses will deter the development or redevelopment of non-industrial uses on adjacent or nearby waterfront properties, due to the inherent aspects of industrial uses described herein.
- Public opinion survey respondents oppose industrial uses which are not marine-related (56% opposed) while favoring marine-related industrial uses (56% in favor).
- The City of Belfast should consider the acquisition of the Penobscot Poultry Plant property as a means of initiating the next era of activity on the waterfront. With the "threat" of re-opening of the plant removed, desirable land uses within the downtown waterfront will be less hesitant to locate in this area.

- Stinsons Canning Company is a marine-related industrial use and is somewhat isolated from the remainder of the waterfront. As a fish processing facility, Stinsons is dependent upon its waterfront location at certain times when the catch is off-loaded from the harbor. Inasmuch, this operation should continue as a permitted and accepted land use with certain conditions for future operations of the facility.

The East Side Waterfront

A-6. Promote the development of a mixture of land uses currently permitted.

- Harbor and waterfront conditions on the East Side are generally not favorable for water-dependent nor water-related land uses.
- Historical and recent land use development on the East Side has been comprised of numerous land use types.
- Public opinion favors mixed use development on the East Side. Given a choice of thirteen possible land uses, public responses favored all but one (industrial uses).

A-7. Promote the protection of environmentally sensitive areas from development activity.

- Environmentally sensitive areas include steep slopes in several locations, as well as the Goose River corridor as it enters Belfast Bay.

The Passagassawakeag Waterfront

A-8. Limit future development within this area to residential uses and related uses which do not generate substantial traffic circulation.

- Harbor and waterfront conditions in this area are generally not suitable for water-dependent nor water-related uses.
- Existing developed areas are primarily residential.

- Roadways in the area have limited capacity to absorb additional traffic circulation.
- A-9. Promote the protection of environmentally sensitive areas from development activity.
- Topographic conditions in this area are comprised of excessively steep slopes; erosion and flooding potential is present along the riverfront.

B. PUBLIC ACCESS AND OPEN SPACE

Policy: To ensure adequate future public access to shoreline areas while maintaining the environmental integrity of the coast and to promote the retention and development of open space in waterfront areas.

Objectives:

- B-1. Improve the Heritage Park property to accommodate public access and passive recreation use.
- As a valuable asset to the City and visitors, the existing "park" area should emphasize pedestrian use. Site improvements, including brick walkways, benches, landscaping and lighting should be planned.
- B-2. Encourage the development of future public access and open space through zoning regulations and the development review process.
- Involve the private sector in this effort by providing incentives for the inclusion of public access and open space in private development projects.

B-3. The City should take action to develop additional public access and open space on the waterfront, particularly on the East Side.

- Public opinion strongly supports the development of additional facilities. 70% of those responding to the public opinion survey favor public open space and waterfront parks, and 53% favor a linear public pathway along the waterfront.
- While Heritage Park provides these amenities on the West Side, there are no such facilities located on the East Side.
- Removal of the railroad tracks to the south of the Belfast and Moosehead Lake Railroad yard will allow the development of a linear pedestrian pathway.

B-4. Ensure adequate access to the harbor for commercial fishermen, the location of which shall be separated from recreational access facilities.

- There are approximately a dozen individuals who derive all of their personal income as commercial fishermen.
- While the commercial fishing industry in Belfast is not as significant as in other Maine coastal communities, it is important that the City retain the availability of access for commercial fishermen. Respondents to the public opinion survey overwhelmingly support the continuance of the industry within Belfast.

- A separate location for commercial access to the harbor is necessary to reduce conflicting use of the harbor facilities between commercial fishing and recreational user groups. Commercial fishermen require adequate parking area storage and staging areas, and require moorings which are proximate to these land facilities. Currently, the commercial fishermen are restricted to the City landing. Here, competition for parking space is a problem, as well as competition for float space. In the summer of 1991, the Harbor Commission and City Police established four parking spaces at the City landing, reserved for fishermen. While improving the situation, this solution does not address all the needs described herein.

C. PORT AND HARBOR RESOURCES

Policy:

To provide for maximum utilization of the harbor for commercial and recreational use while protecting and improving water quality and natural marine resources.

Objectives:

- C-1. Plan for the long term implementation of physical harbor improvements to mitigate wind and wave action in order to increase the potential for marina development and moorage areas.
 - The current demand for moorings in Belfast Harbor can be satisfied within the existing mooring area. There is no waiting list for moorings; however, there is a waiting list for boaters who wish to relocate closer to the City landing.
 - Within the next several years, demand for additional moorings can be met through reorganization of mooring locations and by utilization of two point moorings, and by marina development on the shoreline. The Harbor Committee recently completed a mooring grid plan which provides the basis for mooring relocations.

- With its elongated configuration and east-southeasterly orientation to Penobscot Bay, Belfast Harbor is subject to extreme wind and wave action in inclement weather conditions. Physical barriers are designed to mitigate these conditions.
 - Market assessment and analysis concludes that marina development will likely serve as a catalyst for overall waterfront development activity. Physical barriers will improve conditions for marina development.
 - Implementation of physical barriers requires innovative design practices in order to avoid adverse impacts upon natural marine resources.
- C-2. Where environmental impacts may be avoided, increase moorage areas through dredging activities.
- While the established policies promote maximum utilization of the harbor, it is equally important to respect the environmental integrity of natural marine resources.
- C-3. Over time, the use of individual point moorings should be decreased and more efficient utilization of the harbor should be implemented.
- A two point float system can dramatically decrease the amount of water area consumed by a single vessel. As future demand for moorage increases, the density of boats within the harbor will require more efficient systems.
- C-4. Continue to properly manage harbor resources and maintain the fiscal self-sufficiency of the harbor respective to municipal expenditures.
- Maintain and, where warranted, expand the authority of the Harbor master and Harbor Advisory Committee as required to properly manage the harbor.

- The City should continually evaluate the fiscal expenditures required for maintenance and management of the harbor and assess harbor use fees required to support these expenses.
- C-5. Maintain and improve, where warranted, water quality conditions and the protection of natural marine resources.
- Belfast Harbor and the Passagassawakeag River support a variety of marine life species which depend upon water quality protection for their survival.
 - Shellfish beds which are presently closed to harvesting due to pollution represent a potential commercial and recreational benefit to the community.

D. MUNICIPAL ACTION PLAN

Policy: To promote the involvement of the City of Belfast in the redevelopment of its waterfront and harbor as the City must play a key role in the short term and future utilization of these resources.

Objectives:

- D-1. Establish a mechanism for the City to provide initial and long term control within waterfront areas.
- The City should consider the immediate establishment of a development corporation as activity and change may be imminent.
- D-2. The City should enact zoning provisions which support policies and objectives respective to waterfront land use.
- Belfast has the opportunity to control the type of development which occurs on the waterfront through the application of zoning regulations designed to promote specific land uses.

- Zoning provisions include general City zoning codes, as well as State-mandated shoreland zoning standards.
- Specified land use types must be considered with respect for economic viability in order to stimulate waterfront redevelopment.

D-3. The City should provide adequate infrastructure and, where appropriate, infrastructure improvements necessary to support and stimulate economic growth in waterfront areas.

- Infrastructure support includes sewer, water, and utility services, as well as streets, parking facilities, harbor access facilities, pedestrian sidewalks, and other functional requirements for land development.
- The City currently provides adequate parking facilities in waterfront areas, although competition for parking space at the City landing is problematic in summer months. The City should not expand parking areas at the City landing (due to the resultant loss of valuable open space), but should plan for future parking areas in other locations.
- The amount of parking required in the future depends on several factors. Current zoning provisions require new businesses to provide their own parking facilities; however, the City may waive or reduce parking requirements for new businesses which are water-dependent uses, or which provide public access or preserve views to the harbor. In this respect, the City should plan for areas to absorb these parking needs, as well as needs derived by tourism in waterfront areas.
- In order to "shape" the direction of waterfront and harbor development, the City may prioritize infrastructure improvements in support of the desired future utilization of these resources.

D-4. Development and utilization of waterfront and harbor resources is a fluctuating and dynamic process. Inasmuch, the City of Belfast should undertake an initial, as well as a long-term, commitment to monitor this process on an annual basis. Over time, the City should update its policies in accordance with fluctuating conditions and changing needs.

IMPLEMENTATION STRATEGY

IMPLEMENTATION STRATEGY

INTRODUCTION

The implementation strategy is comprised of a series of recommendations which are based upon the analysis and policy development section of this plan. The overall strategy is multifaceted as it involves the participation of private landowners and land developers, as well as the City itself. Furthermore, the strategy provides a framework for short-term redevelopment activity, as well as long-term control over waterfront and harbor utilization. Finally, it is important to recognize the context in which this plan has been developed.

Acceptance of this plan does not ensure that the City can begin to implement the recommendations contained herein. The plan components must first be scrutinized by the Belfast Comprehensive Plan Committee. This Committee is currently developing the State-mandated Comprehensive Plan, scheduled for completion by 1992. As part of this process, the Comprehensive Plan Committee may incorporate or delete portions of the implementation strategy presented in the following pages. Upon completion of the City-wide Comprehensive Plan, zoning ordinance recommendations and fiscal budget expenditures will be further scrutinized prior to implementation and adoption by the City.

RECOMMENDATIONS

Recommendations presented herein are made in response to the policies set forth within the plan. Each recommendation is correlated to a specific objective established by the Waterfront and Harbor Management Plan Committee. In addition, priorities have been established to direct the implementation efforts by the City of Belfast.

Descriptive Summary of Recommendations

1. Create a Waterfront Re-Development Corporation to actively pursue the implementation of the Waterfront Plan:
 - a. Pursue funding and grants to facilitate waterfront improvements.
 - b. Assist owners/prospective developers of vacant waterfront parcels in the redevelopment of these parcels.
 - c. Coordinate land/water issues with the Harbor Advisory Committee.
 - d. Support commercial fishing industry.
 - e. Maintain momentum and direction for waterfront development.
2. Redefine existing waterfront Zone W-1 to include all waterfront property between Front Street and the harbor, extending from Commercial Street to Old Route One Bridge. (See appendices for maps and zoning language.)
 - a. Development within this zone promotes water-dependent or water-related uses, however, permits additional uses in order to stimulate economic redevelopment.
 - b. Industrial uses are limited to the Stinson Canning property and are required to meet the definition of a water-dependent use.
 - c. Architectural design guidelines and provisions for public access apply to this zone.

3. Redefine existing waterfront Zone W-2 to include all property between Front Street and the DC, R1 and R2 zones. (See appendices for maps and zoning language.)
 - a. Development within this zone is less restrictive than the W-1 Zone as water-dependent and water-related uses are not suitable.
 - b. Industrial uses are prohibited in this zone.
 - c. Architectural design guidelines and provisions for public access apply to this zone.
4. Retain the existing W-3 and W-4 zoning on the East Side waterfront. Add provisions for public access and preservation of views (see Appendices).
5. Retain the existing R-2 and GP zoning on the Passagassawakeag waterfront. Add provisions for public access and preservation of views (see Appendices).
6. Redefine Shoreland Zoning Districts and regulations as follows: (See appendices for maps and zoning language.)

Shoreland Zones are proposed as follows (see maps for district boundaries):

- a. CFMA - Commercial Fisheries/Maritime Activities Zone. This zone is a new recommended zone proposed to encourage marine related uses on the West Side waterfront. The location of this zone is based upon waterfront and harbor conditions which are suitable for these uses.
- b. GD - General Development Zone. This zone is mostly retained on the East Side waterfront and on portions of the West Side waterfront. This zone allows for mixed uses and is less restrictive than other shoreland zones with respect to property utilization.

- c. UR - Urban Residential Zone. This zone is created to minimize the non-conformance of existing intensively developed residential property. City water and sewer service is required in this district.
 - d. LR - Limited Residential Zone. This zone is mostly retained on portions of the East and West Side waterfront in areas where less intensive development of the shoreline is appropriate with respect to existing land use and natural resources.
 - e. RP - Resource Protection Zone. This zone is mostly retained on the East Side where development would adversely affect water quality, productive habitat, or scenic and natural areas.
7. Acquire the Penobscot Poultry Plant property. The City should pursue a Community Development Block Grant (see funding assistance section) to assist in the purchase and demolition of the existing structures. Rationale for funding assistance may include the following:
- a. The plant creates urban blight on the waterfront, inhibiting redevelopment activity.
 - b. The plant poses potential environmental hazards, including asbestos.
 - c. As time goes on, disposal of demolition debris becomes increasingly difficult.
 - d. The City may provide municipal parking on a portion of the property to stimulate economic development of adjacent parcels.

After purchase of the property and demolition of the existing structures, the City should solicit development proposals from the private sector for redevelopment of the property with specifications and guidelines for development. Future use of the property shall comply with the provisions of the proposed W-2 zoning district (see Appendices).

8. Implement Front Street Corridor Improvements, including paving, curbing, sidewalks, street trees, and lighting.
9. Develop waterfront parks at the following locations:
 - a. Commercial Street at the waterfront.
 - b. Each side of old Route 1 Bridge.
 - c. On C.M.P. land at Goose River impoundment basin.
10. Implement a breakwater at the foot of Commercial Street to provide for public access and to increase harbor utilization.
11. Implement a wave attention device at Patterson Point to increase harbor utilization.
12. Develop mooring pool (motor boats only) beyond Route 1 overpass. Suction dredge this area.
13. As required to improve efficient utilization of harbor moorage area, implement the use of two point float moorings.
14. Establish a location for commercial fishermen separate from Town Landing.
 - a. A short-term location near the Weathervane or at Stinsons. Provide parking for 10-15 vehicles and adequate storage/staging areas, as well as sufficient float space. Mooring locations for commercial fishermen should be proximate to this facility. The City should investigate its apparent ownership of water frontage at the Weathervane property in this process.
 - b. A long-term location between Belfast Boatyard and old bridge; consider additional location on East Side, perhaps near Youngs Lobster Co. and/or in association with wave attenuation device.

15. Rehabilitate old bridge for pedestrian/
bicycle access:
 - a. Update engineering study of bridge condition. Close bridge if determined unsafe for pedestrian use.
 - b. Implement short-term structural repairs.
 - c. Implement permanent structural repairs.
16. Develop Federal Street as the primary pedestrian route/link to waterfront, including paving, curbing, sidewalks, street trees and lighting.
17. Improve turning radius from Main Street turning left to Front Street.
18. Set aside municipal land for additional parking between municipal lot and treatment plant. Develop parking in accordance with the demand for municipally controlled parking spaces. Provide access to Front Street for handicapped/elderly pedestrians. Incorporate "Pocket Parks" at Main Street and Front Street elevations.
19. Utilize City buildings at Heritage Park as follows:
 - a. Marine-related retail
 - b. Public restrooms and showers
 - c. Belfast Maritime Historical Museum and Exhibits
 - d. Tourist information/direction
 - e. Chamber of Commerce
20. Remove railroad tracks south of the B & M L railroad yard and develop a pedestrian pathway.
21. Implement passive recreation improvements at Heritage Park, including walkways, landscaping and lighting.
22. In conjunction with Federal Street improvements, demolish the center building at Heritage Park to allow for a view corridor from Federal Street. Develop an "arrival plaza" with pedestration, paving, seating, lighting, and informational signage.

23. Conduct an engineering study of the sewage treatment plant facility to evaluate alternatives for the reduction of odor generated by the plant. Consider the use of domed covers as a potential method.
24. Conduct an engineering study to evaluate potential demand for expansion of the sewage treatment plant. Consider alternative sites for new treatment facilities. Should expansion be required at the existing site, develop an expansion master plan which incorporates recommendations contained herein, respective to expansion of the adjacent municipal parking lot and pedestrian walkways to Front Street.

PRIORITIES AND FISCAL EXPENDITURES

This section of the plan organizes the recommendations in terms of the applicable objective relating to each alternative, the general timeframe for implementation, and projected fiscal expenditures. Timeframe categories include "immediate" (1-2 years), "short term" (2-5 years), and "long-term" (5-10 years).

IMMEDIATE IMPLEMENTATION (1-2 Years)

Policy Reference	Recommendation	Fiscal Expenditure
D-1	1. Establish Waterfront Redevelopment Corporation	N/A
A-2 thru A-9 and D-2	2 - 5. Implement Zoning Ordinance Revisions	N/A
	6. Shoreland Zoning Revisions	N/A
A-5	7. Acquire Penobscot Poultry Property/ Demolish Structures	\$500,000.00
D-3	8. Implement Front Street Improvements (1500 feet)	\$250,000.00

A-1	19.	Utilize Heritage Park Buildings Per Recommendations	N/A
D-3	23.	Study Odor Reduction at Treatment Plant	\$ 10,000.00

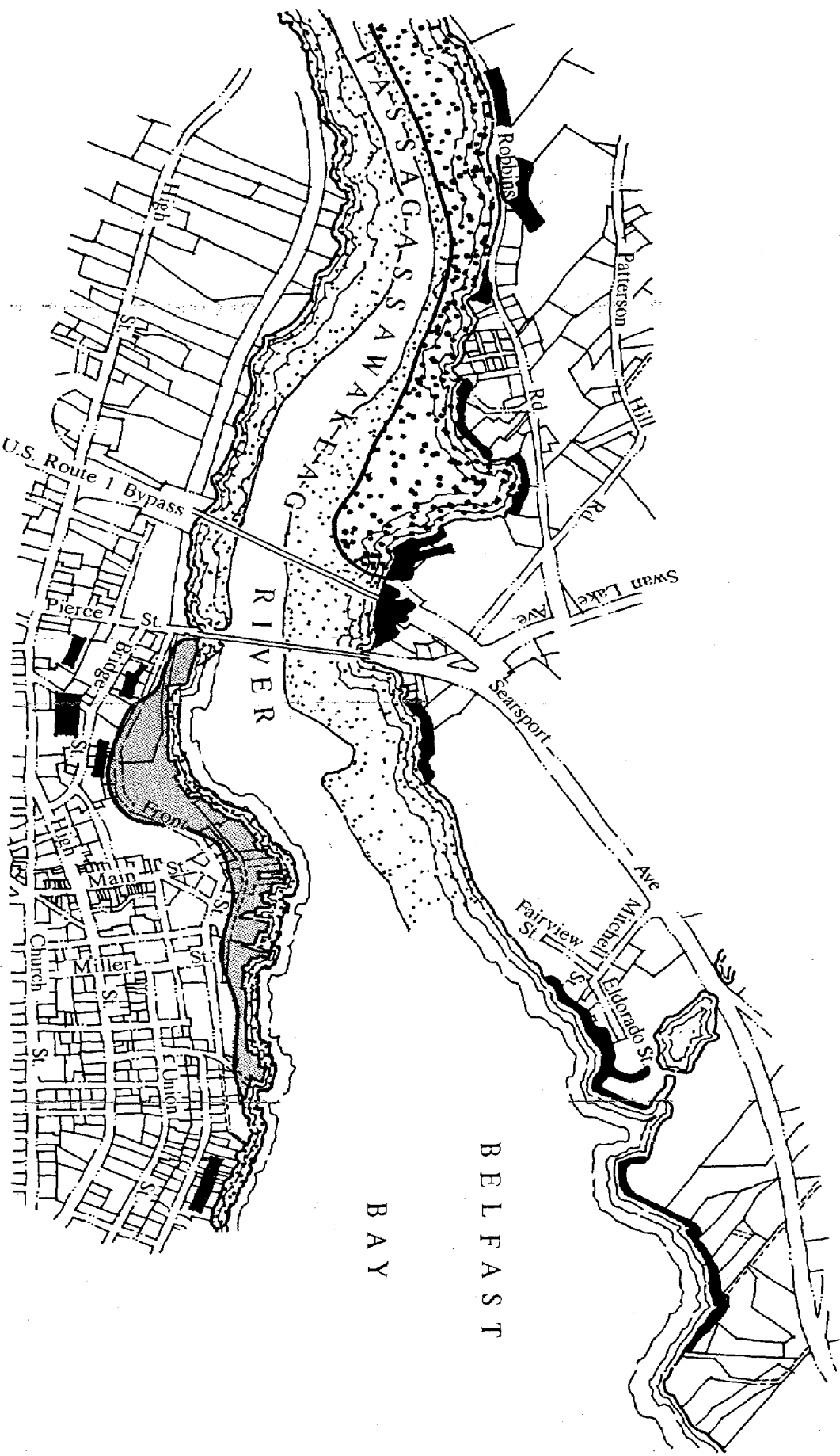
SHORT-TERM IMPLEMENTATION (2-5 Years)

Policy Reference		Recommendation	Fiscal Expenditure
C-1	10.	Implement Commercial Street Pier	\$500,000.00
C-3	13.	Implement Float Mooring System	N/A
D-4	14a.	Establish Short-Term Commercial Fishing Location	N/A
D-3	15a.	Update Engineering Study of Old U. S. Route One Bridge	\$ 25,000.00
D-3	15b.	Implement Short-Term Repairs to Old Bridge	\$200,000.00
B-1	21.	Implement Passive Recreation Improvements at Heritage Park	\$100,000.00
D-3	24.	Study Treatment Plant Expansion Alternatives	\$ 50,000.00





LONG-TERM IMPLEMENTATION (5-10 Years)

Policy Reference		Recommendation	Fiscal Expenditure
B-3	9.	Develop Waterfront Parks	\$250,000.00
C-1	10.	Implement Wave Attenuator at Patterson Point	\$500,000.00
C-2	12.	Develop Mooring Pool Beyond Bridges	\$150,000.00
B-4	14b.	Establish Long- Term Commercial Fishing Location	N/A
D-3	15c.	Implement Permanent Repairs to Old Bridge	\$750,000.00
D-3	16.	Develop Federal Street Linkage (400 feet)	\$100,000.00
D-3	17.	Improve Turning: Main Street to Front Street	\$ 75,000.00
D-3 B-3	18.	Expand Municipal Parking, Develop Pocket Parks	\$250,000.00
A-1 D-3	22.	Demolish Center Building at Heritage Park.	\$ 15,000.00

APPENDICES



NATURAL RESOURCES

-  Floodplain Areas
-  Intertidal Zone
-  Marine Worm Habitat
-  Slopes Exceeding 20 %

City of Belfast

MAP

Comprehensive

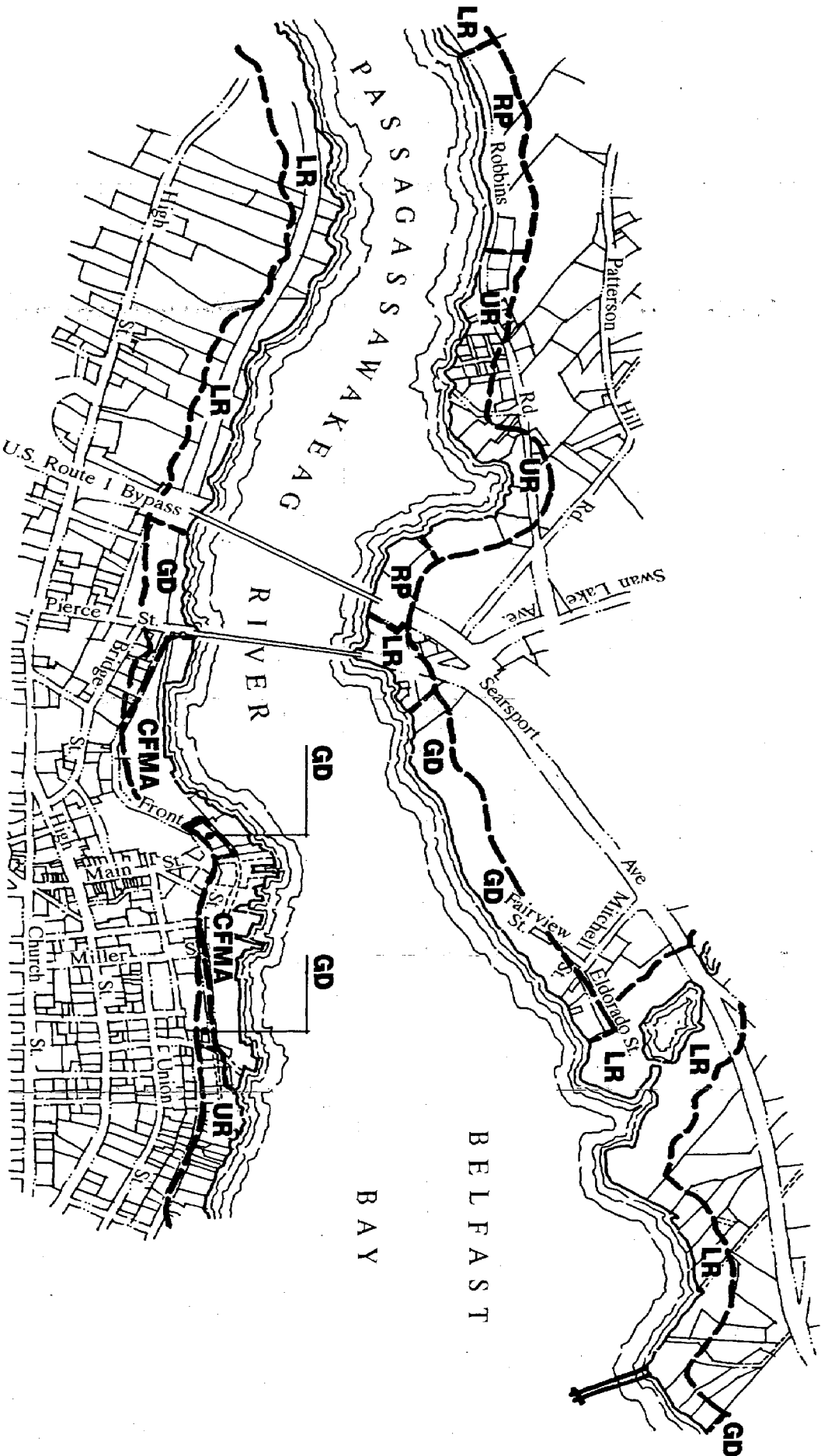
Waterfront

Plan

1

0 100' 500' 1000' 1500'

North



PROPOSED SHORELAND ZONES

LEGEND:

- CFMA** Commercial Fisheries / Maritime Activities District
- GD** General Development District
- LR** Limited Residential District
- RP** Resource Protection District
- UR** Urban Residential District

City of Belfast

MAP

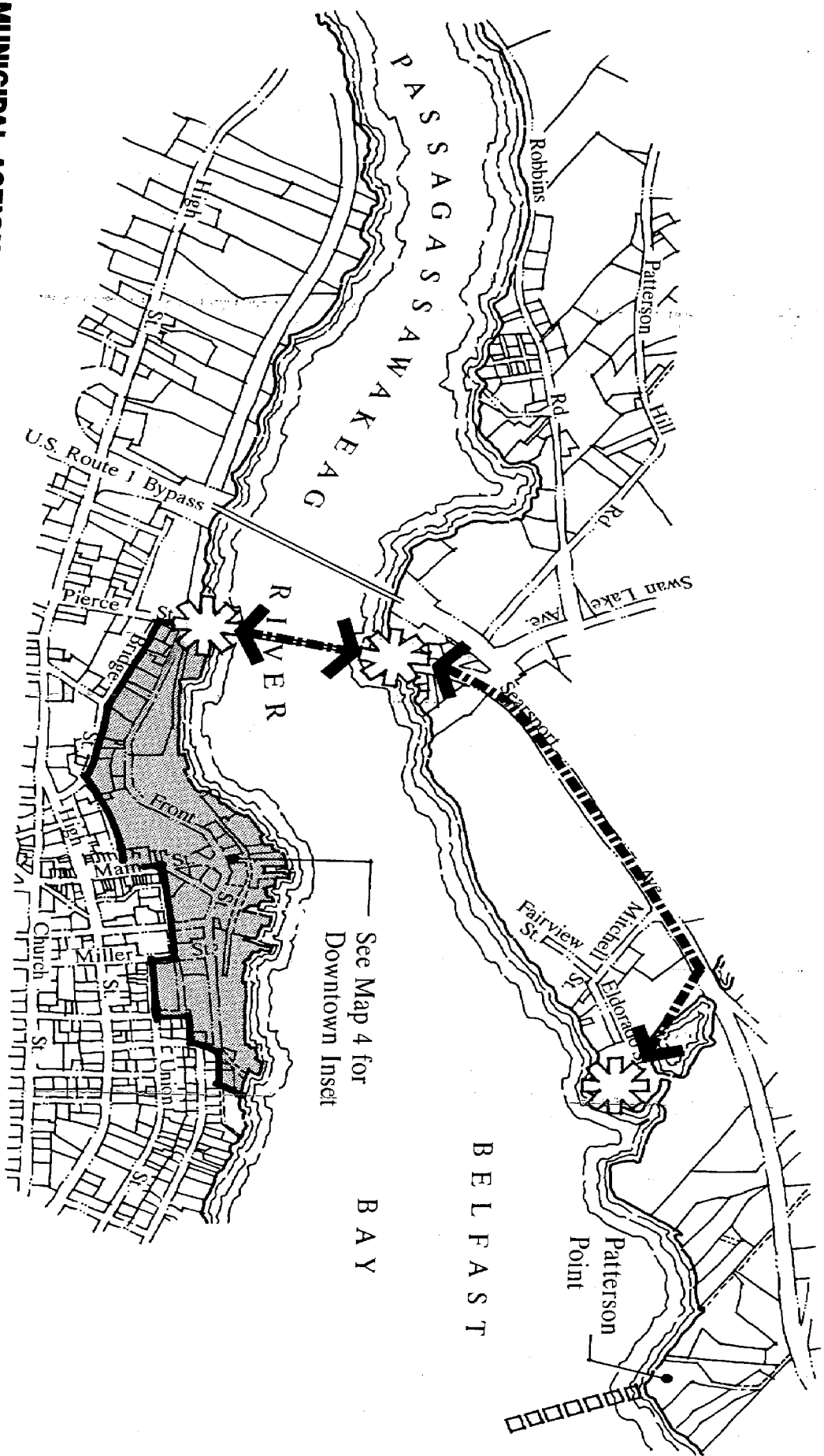
Comprehensive

Waterfront

Plan

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MUNICIPAL ACTION PLAN

- LEGEND:**
- Pedestrian Park
 - Pedestrian / Bicycle Route
 - Wave Attenuation

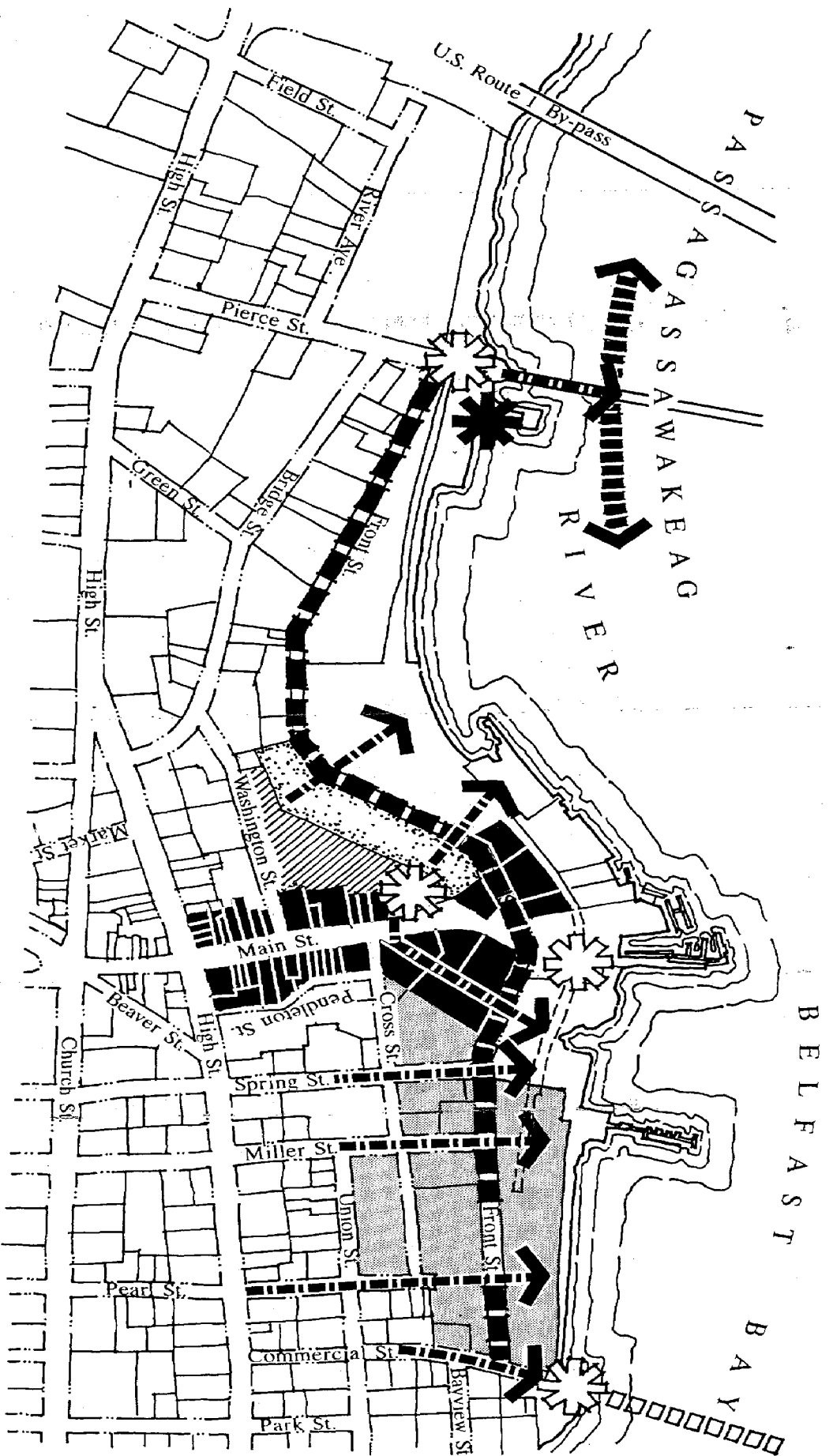
City of Belfast

Comprehensive Waterfront Plan

MAP 3

0 100' 500' 1000' 1500'

North



MUNICIPAL ACTION PLAN

LEGEND:

- Access site for Commercial Fisherman
- Open Harbor of Refuge
- Pedestrian Access Improvements
- Improve Front St. as Waterfront Spine
- Breakwater from Commercial St.
- Pedestrian Parks
- Improve Treatment Plant Appearance
- Expand Public Parking Area
- Waterfront Redevelopment Zone
- Extend Main St. CBD to Waterfront

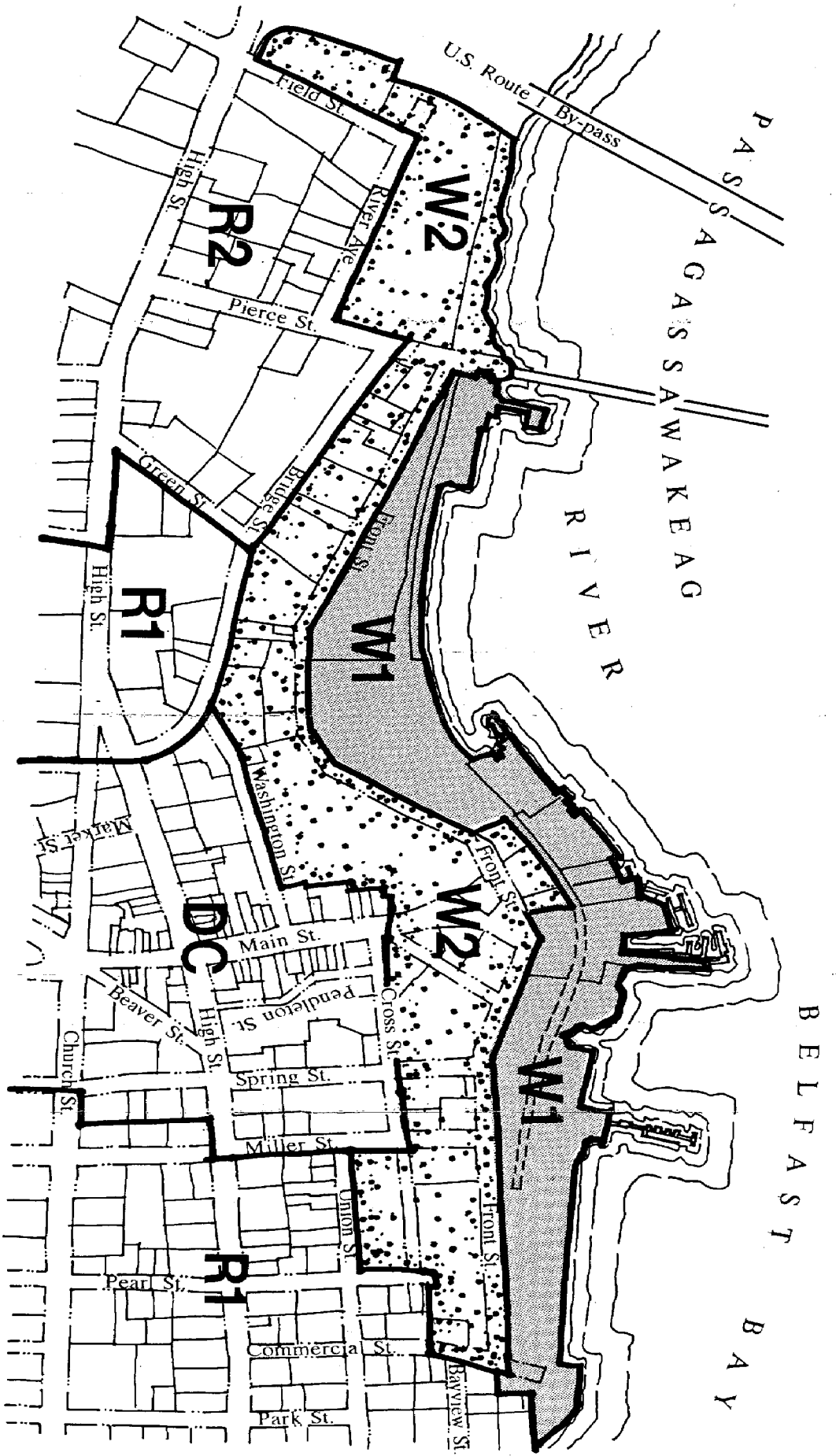
City of Belfast

MAP

Comprehensive
Waterfront
Plan

4





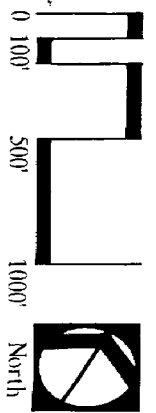
PROPOSED GENERAL ZONES

- | | | | |
|-----------|--------------------------|-----------|--------------------|
| W1 | Waterfront Zone 1 | R1 | Residential Zone 1 |
| W2 | Waterfront Zone 2 | R2 | Residential Zone 2 |
| DC | Downtown Commercial Zone | | |

City of Belfast **MAP**

**Comprehensive
Waterfront
Plan**

5



TECHNICAL AND FINANCIAL ASSISTANCE

TECHNICAL ASSISTANCE

Coastal communities working to protect water dependent uses or develop other strategies to implement Maine's Coastal Policies can obtain technical assistance from the coastal planning staff at the Office of Comprehensive Planning, Department of Economic and Community Development, Station #130, Augusta, ME 04333. For information or assistance, please contact Francine Rudoff, Kirk Schlemmer, or Tamara Risser at 289-6800. Additional assistance may be obtained from the following organizations:

Waldo County Opportunity Zone
67 Church Street
Belfast, ME 04915
Contact: Michael Bush at 338-1139

Eastern Mid-coast Planning Commission
9 Water Street
Rockland, ME 04841
Contact: Tom Ford at 594-2299

Other sources of technical assistance include the following organizations:

Maine Coast Heritage Trust (MCHT)
P. O. Box 416
Topsham, ME 04096
729-7366
or
P. O. Box 426
Northeast Harbor, ME 04662
276-5156

MCHT promotes conservation of Maine's coastline and islands by negotiating gifts of land and easements to conservation organizations. MCHT offers professional advice and assistance to land owners, land trusts, and municipalities.

Maine Municipal Association (MMA)
Community Drive
Augusta, ME 04330
623-8428

MMA provides assistance to towns in developing zoning ordinances, local code enforcement and legal affairs.

Financial Assistance

A number of sources also provide financial assistance to Maine communities to support projects which enhance opportunities for waterfront and harbor improvements.

Coastal Planning Grants are available for municipal waterfront and harbor planning activities. These activities should result in implementation strategies to further Maine's Coastal Policies. Contact the Office of Comprehensive Planning, Department of Economic and Community Development, 289-6800.

Coastal Implementation Grants are available for the development of zoning ordinances, harbor ordinances, detailed public access plans, and other implementation efforts. Contact the Office of Comprehensive Planning, Department of Economic and Community Development, 289-6800.

Community Revitalization Grants are available for downtown revitalization, housing rehabilitation public facility improvements, and other local programs that benefit low and moderate income people.

For further information, contact the Office of Community Development, Department of Economic & Community Development, 289-6800.

Land & Water Conservation Fund Grants are available to support the acquisition and/or development of outdoor recreation facilities, including waterfront parks.

For further information, contact the Office of Comprehensive Planning, Department of Economic & Community Development, 289-6800.

Boating Facilities Program award grants for the acquisition development and improvement of state, regional or local recreational boat access sites. Funds for the program are derived from the state gasoline tax.

For further information, contact the Bureau of Parks & Recreation, Department of Conservation, 289-3821.

The Maine Department of Transportation may have funding available as MDOT has conducted a State-wide study of port and harbor needs which places an emphasis on funding projects not traditionally funded by State and Federal programs. Contact MDOT, Division of Ports and Marine Transportation, 289-2841.

The Maine Department of Environmental Protection administers Section 205; water quality planning grants for projects determining the nature, course and extent of water pollution. A local match of funds is not required, but may be helpful in the approval process. Contact the Maine D.E.P., 289-3901.

The U. S. Army Corps of Engineers funds dredging projects, but requires a local match. For Congressionally authorized maintenance dredge projects, the Army Corps pays 100% of the cost of dredging, but the local government is responsible for locating, procuring and preparing the disposal site. For improvement projects (small-scale navigational dredging projects that occur outside of Congressional approval), the local government must share the cost of dredging as well as locate, procure and prepare the disposal site. Typically, the local share of dredging costs is between 20% and 50%, but it can be more. Contact the Maine office at 623-8367.

The Economic Development Administration administers public works grants, which in the past have included commercial fishing piers. The limited financial resources of the agency may preclude use of this funding course at this time. Contact the EDA through the Eastern Maine Development Corporation at 942-6389.

PROPOSED ZONING LANGUAGE REVISIONS

Waterfront I - West Side Harbor

Purpose:

To promote, preserve and protect water-dependent and water-related uses which foster the maritime heritage of the City of Belfast. This district is established due to its suitability for uses which are dependent upon favorable waterfront and harbor conditions. While this District allows for diverse land uses which encourage economic vitality to the waterfront, certain land uses which are more suited to other locations within the City are prohibited.

1. Preferred Uses within this zone include:
 - a. *Water dependent uses, including marinas
 - b. **Water related uses, including the following:
 - 1) chandleries and sail lofts
 - 2) boat building
 - 3) boat sales and repair
 - 4) aquariums
 - 5) fish and shellfish sales
 - 6) marine-oriented museum or education facility
 - 7) fabrication, storage and repair of fishing equipment
2. Permitted Uses with Planning Board Review:
 - a. Retail stores and restaurants
 - b. Professional offices
 - c. Public parks and open space
 - d. Municipal uses deemed necessary by the City Council but, prior to taking action thereon, the Council shall hold a public hearing for which 10 days public notice shall be given.
 - e. Residential dwelling units (prohibited on the first floor).
3. All other uses are prohibited within this zone.

* Those uses that require, for their primary purpose, location on submerged lands or require direct access to, or location in, coastal waters and which therefore cannot be located away from these waters. These uses include, but are not limited to, commercial and recreational fishing and boating facilities, finfish and shellfish processing, storage and retail and wholesale marketing facilities, dock and port facilities, shipyards and boat building facilities, marinas, navigation aides, basins and channels, and uses which primarily provide general public access to marine or tidal waters.

** Those uses which do not require direct access to, or location in, coastal waters but whose primary purpose is to support the successful functioning of water-dependent uses.

- h. Industrial uses in buildings previously used for industrial purposes provided that the proposed use is water-dependent as defined herein.

4. Shoreland

The provisions of the Shoreland Zoning Ordinance apply to areas within 250 feet of the mean high water mark of the Passagassawakeag River and Belfast Bay.

5. Standards

- a. The proposed use must be consistent with the purpose of this District as stated above.
- b. Exceptions to the definitions of water-dependent and water-related uses contained herein shall be narrowly construed. The burden of proof shall be placed upon the party proposing any such uses to qualify the use as water-dependent or water-related.
- c. The general standards of performance in Chapter Two shall be observed.
- d. The following standards shall also apply:

Minimum lot size	10,000 square feet
Minimum lot frontage	50 feet
Maximum building height	35 feet
Minimum setback	10 feet from each lot line

- e. The architectural design of new structures or renovated structures or renovated structures shall compliment the architectural heritage of Belfast. Exterior facade materials prohibited include metal siding, concrete and concrete block. Brick or wooden clapboard facade materials are strongly encouraged. Roof pitches shall be at least 3 in 12 for all new structures.

6. Provisions for Water Dependent Uses, Water Related Uses, Public Access and Viewing Areas

The Planning Board will consider the granting of density bonuses and other incentives, such as setback reductions, building height restrictions, and parking requirements, for development projects which include water dependent and water related uses, or which provide for public access along the water, or which preserve views from upland areas to the waterfront.

Consideration of density bonuses, setback reductions and other development factors shall be subject to the requirements of the Shoreland Zoning Ordinance and State regulations administered by the Department of Environmental Protection.

- a. Under the provisions of Chapter One, Section IX of this Ordinance (Contract Zoning), the Planning Board may grant additional incentives to applicants proposing water dependent uses, water related uses, or public access to and/or preserving views to the harbor. It shall be the responsibility of the applicant to propose such incentives. The authority to grant such incentives shall be vested in the City of Belfast Planning Board, in accordance with the contract zoning provisions of the Ordinance.

PROPOSED ZONING LANGUAGE REVISIONS

Waterfront II - Downtown

1. Permitted Uses

- a. Office complexes
- b. Residential, excluding manufactured housing units.
- c. Marine related activities, including boat storage.
- d. Municipal uses deemed necessary by the City Council, but, prior to taking hereon, the Council shall hold a public hearing for which 10 days public notice shall be given.
- e. School, day nursery, municipal building or use, public park, open space, institution of an educational, religious, philanthropic, fraternal, political or social nature.
- f. Professional and business office.
- g. Hotels and motels.
- h. Retail stores and restaurants.
- i. Wholesale business and services.
- j. Public and private educational, assembly places and medical facilities.
- k. Craft production.
- l. Accessory uses and buildings, including yard sales on no more that 10 days in any calendar year.

2. Permitted Uses with Planning Board Review

- a. Non-industrial uses in business larger than a 25,000 square feet and previously used for industrial purposes and subject to the standards defined herein.
- b. Planned unit development.
- c. Non-municipal public and quasi-public uses.

3. Shoreland

The provisions of the Shoreland Zoning Ordinance apply to areas within 250 feet of the mean high water mark of the passagassawakeag River and Belfast Bay.

4. Standards

a. The general standards of performance in Chapter Two shall be observed.

b. The following standards shall also apply:

Minimum lot size	10,000 square feet
Minimum lot frontage	50 feet
Maximum building height	35 feet
Minimum setback	10 feet from each lot line

c. The architectural design of new structures or renovated structures shall compliment the architectural heritage of Belfast. Exterior facade materials prohibited include metal siding, concrete and concrete block. Brick or wooden clapboard facade materials are strongly encouraged. Roof pitches shall be at lease 3 in 12 for all new structures.

5. Planned Unit Developments

In the case of planned unit development, the above standards may be modified in accordance with the special provisions of Chapter Two, Section V of this Ordinance.

6. Provisions for Public Access and Viewing Areas

The Planning Board will consider the granting of density bonuses and other incentives, such as parking requirements, for development projects which provide for public access along the water and which preserve views from upland areas to the waterfront, in accordance with Chapter I, Section IX of this Ordinance.

Consideration of density bonuses, setback reductions and other development factors shall be subject to the requirements of the Shoreland Zoning Ordinance and State regulations administered by the Department of Environmental Protection.

a. Under the provisions of Chapter One, Section IX of this Ordinance (Contract Zoning), the Planning Board may grant additional incentives to applicants proposing water dependent uses, water related uses, or public access to and/or preserving views to the harbor. It shall be the responsibility of the applicant to propose such incentives. The authority to grant such incentives shall be vested in the City of Belfast Planning Board, in accordance with the contract zoning provisions of the Ordinance.

PROPOSED ZONING LANGUAGE REVISIONS

Waterfront III

Waterfront IV

Residential II

General Purpose

Add the following to "Standards" section of existing Ordinance:

6. Provisions for Water Dependent Uses, Water Related Uses, Public Access and Viewing Areas

The Planning Board will consider the granting of density bonuses and other incentives, such as setback reductions, building height restrictions, and parking requirements, for development projects which include water dependent and water related uses, or which provide for public access along the water, or which preserve views from upland areas to the waterfront.

Consideration of density bonuses, setback reductions and other development factors shall be subject to the requirements of the Shoreland Zoning Ordinance and State regulations administered by the Department of Environmental Protection.

- a. Under the provisions of Chapter One, Section IX of this Ordinance (Contract Zoning), the Planning Board may grant additional incentives to applicants proposing water dependent uses, water related uses, or public access to and/or preserving views to the harbor. It shall be the responsibility of the applicant to propose such incentives. The authority to grant such incentives shall be vested in the City of Belfast Planning Board, in accordance with the contract zoning provisions of the Ordinance.

Public Opinion Survey
CITY OF BELFAST
Harbor and Waterfront Management Plan
April, 1991

The City of Belfast has retained a planning consultant to prepare this study and has established a Harbor and Waterfront Management Plan Committee to direct the consultant. The Committee is interested in obtaining public opinion on issues to be addressed by this study and has distributed this survey to all City residents. Please take the time to respond to the questions herein and feel free to volunteer additional comments.

The Committee wishes to receive all survey responses by May 1, 1991. Thank you for your interest and participation.

Background Information:

1. Where do you live in Belfast?

Various locations

2. A. 100% Permanent Resident B. 0% Seasonal Resident

3. A. 91% Own Property B. 8% Rent Property C. 1% Both
(If both, please respond to survey as a property owner.)

4. My property is:

A. <u>86%</u> Residential	C. <u>0%</u> Industrial
B. <u>10%</u> Commercial	D. <u>4%</u> Undeveloped
	E. <u>0%</u> Other (Specify: _____)

5. My property is:

A. 18% On the waterfront B. 67% Not on the waterfront C. 15% Both
(If both, please respond to survey respective to waterfront property.)

Study Area Land Use:

The map below depicts the study area for this planning effort. The questions following pertain to your opinion of land uses on both the EAST side and WEST side of the harbor:

6. Please indicate your response to present and possible land uses on the EAST side and WEST side of the harbor:

PERCENTAGE RESPONSES:	EAST SIDE			WEST SIDE		
	A. Favor	B. Oppose	C. No Opinion	A. Favor	B. Oppose	C. No Opinion
6.1 Multi-Family Housing	A. <u>58</u>	B. <u>27</u>	C. <u>15</u>	A. <u>35</u>	B. <u>41</u>	C. <u>24</u>
6.2 Restaurants	A. <u>56</u>	B. <u>33</u>	C. <u>11</u>	A. <u>72</u>	B. <u>22</u>	C. <u>6</u>
6.3 Retail Stores (Non-marine related)	A. <u>56</u>	B. <u>38</u>	C. <u>6</u>	A. <u>62</u>	B. <u>26</u>	C. <u>12</u>
6.4 Retail Stores (Marine related)	A. <u>79</u>	B. <u>20</u>	C. <u>1</u>	A. <u>88</u>	B. <u>6</u>	C. <u>6</u>
6.5 Professional Offices	A. <u>56</u>	B. <u>23</u>	C. <u>21</u>	A. <u>50</u>	B. <u>29</u>	C. <u>21</u>
6.6 Marinas	A. <u>76</u>	B. <u>12</u>	C. <u>12</u>	A. <u>73</u>	B. <u>14</u>	C. <u>13</u>
6.7 Boat Building & Repair	A. <u>82</u>	B. <u>10</u>	C. <u>8</u>	A. <u>76</u>	B. <u>12</u>	C. <u>12</u>
6.8 Boat Storage	A. <u>67</u>	B. <u>21</u>	C. <u>12</u>	A. <u>53</u>	B. <u>24</u>	C. <u>23</u>
6.9 Commercial Fishing Support Facilities	A. <u>85</u>	B. <u>14</u>	C. <u>1</u>	A. <u>82</u>	B. <u>1</u>	C. <u>17</u>
6.10 Hotels, Motels	A. <u>56</u>	B. <u>26</u>	C. <u>18</u>	A. <u>56</u>	B. <u>24</u>	C. <u>20</u>
6.11 Bed & Breakfasts	A. <u>65</u>	B. <u>19</u>	C. <u>16</u>	A. <u>65</u>	B. <u>19</u>	C. <u>16</u>
6.12 Industrial (non marine related)	A. <u>36</u>	B. <u>56</u>	C. <u>8</u>	A. <u>39</u>	B. <u>50</u>	C. <u>11</u>
6.13 Industrial (marine related)	A. <u>56</u>	B. <u>32</u>	C. <u>12</u>	A. <u>59</u>	B. <u>22</u>	C. <u>19</u>
6.14 Sewage Treatment Plant	A. <u>12</u>	B. <u>76</u>	C. <u>12</u>	A. <u>22</u>	B. <u>67</u>	C. <u>11</u>
6.15 Public Open Space/ Waterfront Parks	A. <u>79</u>	B. <u>15</u>	C. <u>6</u>	A. <u>79</u>	B. <u>12</u>	C. <u>9</u>

7. Would you support zoning amendments which would prohibit land uses which are not water-dependent uses?
- A. 27 Yes B. 65 No C. 6 Undecided
8. Would you support waterfront land uses which are not water-dependent provided that these uses are compatible with and do not interfere with water-dependent uses?
- A. 67 Yes B. 27 No C. 6 Undecided
9. Would you support zoning amendments which would require that new waterfront developments are architecturally compatible with existing buildings on Main Street?
- A. 35 Yes B. 47 No C. 18 Undecided
10. Would you support the promotion of increased tourism specific to waterfront areas and redevelopment efforts?
- A. 56 Yes B. 35 No C. 9 Undecided
11. Do you feel that additional public access to waterfront areas is needed at this time?
- A. 53 Yes B. 38 No C. 9 Undecided
12. Do you feel that public open space/waterfront parks should be promoted in planning for the future of waterfront areas?
- A. 71 Yes B. 18 No C. 1 Undecided
13. Would you favor a linear public pathway along the waterfront?
- A. 53 Yes B. 36 No C. 11 Undecided

Harbor Facilities

14. Please note the adequacy of existing facilities at the City landing:

PERCENTAGE RESPONSE	A. <u>Good</u>	B. <u>Poor</u>	C. <u>Undecided</u>
14.1 Car Parking	<u>43</u>	<u>43</u>	<u>14</u>
14.2 Boat Trailer Parking	<u>59</u>	<u>9</u>	<u>32</u>
14.3 Launch Ramps	<u>69</u>	<u>20</u>	<u>11</u>
14.4 Float Space	<u>50</u>	<u>29</u>	<u>21</u>
14.5 Skiff Space	<u>32</u>	<u>38</u>	<u>30</u>
14.6 Water Depth	<u>53</u>	<u>21</u>	<u>26</u>
14.7 General Safety	<u>68</u>	<u>15</u>	<u>17</u>
14.8 Public Restrooms	<u>72</u>	<u>16</u>	<u>12</u>

15. Do you feel that navigation within the harbor is adequate?

A. 47 Yes B. 24 No C. 29 Undecided

16. Is the present Harbor Ordinance satisfactory?

A. 29 Yes B. 24 No C. 47 Undecided

17. Belfast has conducted numerous waterfront studies in recent years. In the space provided below please indicate your general comments about the waterfront and harbor areas and what you think this planning effort should accomplish:

- Prohibit industrial uses - no exceptions (4) *
- Support industrial uses (2)
- Promote mixed use development approach (4)
- Promote tourism development (2)
- Support commercial fishing activity (4)
- Support marina development (2)
- Provide tax incentives for waterfront development
- No more taxes for waterfront development (2)
- Harbor users should pay for harbor development/
maintenance (2)
- Plan for increased public access and open space (6)
- Continue operation of the railroad (4)
- Return Greyhound bus service (2)
- Clean up trash in waterfront/downtown
- Improve road conditions and access
- Develop waterfront promenade from Commercial Street
to bridge (3)
- Improve condition of old Route 1 bridge (3)
- Separate management of City Landing from
Harbor Commission
- Belfast should not become another Camden

* Numbers indicate multiple responses by survey respondents

GUIDELINES AND
APPLICATION FOR THE
IMPLEMENTATION GRANT
AND COASTAL MANAGEMENT
GRANT PROGRAMS

OFFICE OF COMPREHENSIVE
PLANNING

JANUARY 1991

**GUIDELINES FOR THE
IMPLEMENTATION GRANT
AND COASTAL MANAGEMENT
GRANT PROGRAMS**

I. Introduction: =====

The Comprehensive Planning and Land Use Regulation Act (30-A M.R.S.A. Sec. 4301 et seq., hereafter, the Act) requires each municipality in the state, except those municipalities within the jurisdiction of the Maine Land Use Regulation Commission, to develop a local growth management program. Under the Act, a local growth management program is comprised of the following:

- a) a comprehensive plan that complies with the provisions of the Act, and
- b) an implementation program that is consistent with a complying comprehensive plan.

Having submitted your comprehensive plan for state review and comment, it is time to begin focusing your efforts on the preparation of an implementation program that will enable you to achieve the goals and strategies set forth in that plan.

As was the case in the preparation of your comprehensive plan, the Office of Comprehensive Planning (hereafter, the Office) is prepared to offer technical and financial assistance as you develop your implementation program. These guidelines are designed to provide you with information necessary to access this assistance. The following section (Section II) describes the Act's requirements for a local implementation program. Section III outlines the state funded and administered implementation grant program. Section IV outlines the federally funded coastal management grant program, a supplementary assistance program available to coastal municipalities.

II. Local Implementation Program: =====

In order for your local growth management program to be complete and effective, the comprehensive plan you have developed must be implemented through the application of specific policies, programs, regulations, ordinances, and other municipal actions. The mechanism by which the implementation strategies identified in your plan are to be

achieved is known as the implementation program. At a minimum, the Act requires that your implementation program include the adoption of a new or amended zoning ordinance that is consistent with your comprehensive plan. However, your implementation program may be much more encompassing and in addition to a zoning ordinance may include activities such as the development of a capital improvement program, ordinances and regulations to guide site reviews of development projects, housing and economic development programs or initiatives, community land banks or land trusts, or interlocal agreements designed to promote local and regional policies. The Office encourages you to be creative in the implementation of your comprehensive plan.

[FOR COASTAL MUNICIPALITIES] Local implementation programs developed by coastal municipalities will also consist of policies, programs, ordinances, regulations, and other activities that focus on the use and management of coastal resources. Under the Act, coastal municipalities are required to develop local policies and implementation strategies that specify the approaches that will be taken to address Maine's nine Coastal Management Policies. Moreover, the Act explicitly calls for the development of implementation strategies that ensure the preservation of access to coastal waters and that discourage new development that is incompatible with uses related to the marine resources industry. Thus, implementation programs for coastal municipalities may include, for example, the establishment of special waterfront zoning districts, development of a harbor ordinance, or preparation of a public access plan.

III. Implementation Grant Program: =====

The implementation grant program is a state administered, participative grant funding program (up to 25% of the project cost must be provided by the municipality) for the development and adoption of implementation strategies identified in your comprehensive plan, provided that your plan has been determined to be consistent with the Act. The following parameters have been established for the administration of this program.

- A. **Eligible Applicants:** All municipalities that have submitted a comprehensive plan for review by the Office are eligible to apply for an implementation grant. Although grant applications will be accepted and processed prior to local adoption of a plan, no payment will be made prior to the local adoption of a consistent plan.
- B. **Maximum Grant Amount:** The maximum state share available to each applicant is \$12,500. Dependent upon the amount of state assistance received, the required local match will be 0% (for requests of \$2,500 or less) or 33% of the state funds requested in excess of \$2,500.

<u>Grant Amount</u>	<u>Local</u> %	<u>Match</u> \$	<u>Required</u> \$
\$ 0 - \$ 2,500	0%		\$0
\$2,501 - \$12,500	33%	\$.33 -	\$3,333

- C. **Number of Applications per Municipality:** The program is designed to provide each eligible municipality with 1 implementation grant.
- D. **Reimbursement of Eligible Costs:** You may be reimbursed for eligible costs incurred after the date of your plan submission. You should, however, be prudent in incurring costs prior to receiving written comments on your plan from the Office. The written comments received will indicate whether your plan is consistent with the Act or what additional actions may be necessary to make it consistent. Recall from the introduction to this section that implementation grants can only be used to carry out the Implementation Strategies Section of a consistent plan. Therefore, a town would not want to invest a lot of time, energy, and finances in anticipation of reimbursement, to establish an implementation program for a plan which is not consistent with the Act. Municipalities that incur costs prior to the adoption of a consistent plan do so at the risk of not being reimbursed.
- E. **Eligible Costs:** As provided for in the Act, implementation grants can be used for costs directly related to the preparation of policies, programs, and land use ordinances directly related to the implementation of a consistent plan. This makes these funds available for a variety of different purposes. For example, you may want to hire or retain legal or other professional services to amend or develop a zoning ordinance or capital improvements program. Or perhaps you and a neighboring community could use your implementation grants to establish an interlocal agreement instituting procedures for joint planning board reviews of large subdivisions impacting a shared resource or facility. At a minimum, in order for a cost to be eligible it must have been incurred:
- 1) in the preparation of a program, policy, or ordinance designed to carry out the intent of the Implementation Strategies Section of a consistent plan, and
 - 2) after the plan's submittal to the Office for review and comment.

Please keep in mind that the implementation grant you may receive is intended to assist you in establishing an implementation program. It is not intended to finance the ongoing operation of such a program, and therefore recurring operational or maintenance costs will not be considered eligible. It is your responsibility as the applicant municipality to document that the costs associated with the proposed activities are eligible and that these activities will carry out the intent of the Implementation Strategies Section of the your comprehensive plan.

- F. **Application Procedures:** An eligible municipality wishing to apply for an implementation grant must fill out the required application materials as provided by the Office. This will include a narrative description of the activities to be undertaken, documentation that the proposed activities are consistent with the intent of the Implementation Strategies Section of the applicant's comprehensive plan, an itemized cost schedule for each activity to be undertaken, and documentation that the costs are eligible.
- G. **Payment Procedures:** Upon signing a contract with the Office and adopting your plan locally, you will be able to submit a request for payment for all or part of the eligible costs. No more than two requests for payment will be processed for each implementation grant. The first of these requests for payment may not exceed 90% of state share. Each request for payment must be accompanied by a narrative description of the work in progress. In addition, the final request for payment must include a copy of the completed activities. It is not necessary to submit invoices with requests for payment. Invoices must, however, be kept on file by the town.
- H. **Local Approval for Funding:** There are several local approvals which must be in place prior to your receiving implementation grant funds. These include the following:
 - 1) Approval for the appropriation of your local share, if any
 - 2) Pursuant to 30-A, MRSA, Section 5682, approval for the acceptance of State funds, and
 - 3) Authorization for your town officials to enter into a contract with the State.

Each of these approvals must be given by the local legislative action appropriate to your community, either a town warrant article or a council action. These approvals

can be issued by a single legislative vote incorporating all three approvals, or by a series of legislative votes, each one specific to one of the approvals listed above. In addition, the Town's approval for the acceptance of State funds must be on file with the Department of Finance in order for the Office to process grant payments.

- I. **Role of the Regional Councils:** Your regional council may be available to assist you in the preparation of your implementation programs. You should contact your regional council to determine what assistance they are able to provide in regard to your implementation program.
- J. **Hiring Consultants:** Project funds (state and local share) may be used to hire consultants to assist you in developing your implementation program. As was the case with your planning grant, if you plan to hire a consultant for more than \$1,200, you must do so by contract and preferably through a competitive selection process. You must send a copy of any anticipated subcontract to the Office for review and comment prior to its execution. In obtaining the services of a consultant, one of the following 3 approaches should be adhered to:
 - a) Request for Proposal,
 - b) Request for Qualifications, or
 - c) Sole-Source Procurement.

Refer to your Planning Grant Guidelines or contact the Office for information regarding these approaches to hiring a consultant.

- K. **Record Keeping:** The Office expects you to organize and keep all records, documents, reports, invoices, letters, or other material relating to the development of your implementation program. It is advisable to maintain a file of meeting minutes, advertisements of public meetings, and correspondence with your regional council, this Office, and consultants. These files shall be available at reasonable times for review, inspection, or audit by State personnel and other personnel duly authorized by this Office.

IV. Coastal Management Grant Program: =====

To assist each coastal municipality with implementation of the coastal elements of its comprehensive plan, the Office has established a federally funded coastal management grant program. Like the state funded implementation grant program, funds are available only if a local

comprehensive plan has been determined to be consistent with the Act. Cost sharing for the coastal management grant program will be on an equal basis (50% federal/50% local share). The following parameters have been established for the administration of this program.

- A. **Eligible Applicants:** All coastal municipalities that have submitted a comprehensive plan for review by the Office are eligible to apply for a coastal implementation grant. Although grant applications will be accepted and processed prior to local adoption of a plan, no payment will be made prior to the local adoption of a consistent plan.
- B. **Maximum Grant Amount:** The maximum federal share available to each applicant is \$5000. The required local match will be 50% of the total project cost. Thus, for example, a \$5000 federal grant would be matched with \$5000 of local funds for a total project cost of \$10,000.
- C. **Number of Applications per Municipality:** The program is designed to provide each eligible municipality with one coastal management grant.
- D. **Reimbursement of Eligible Costs:** Same as Section III(D) for implementation grant program.
- E. **Eligible Costs:** Coastal management grants can be used for costs related to the preparation of policies, programs, and land use ordinances directly related to the implementation of the coastal elements of a consistent plan. The Maine Coastal Program, together with the federal Office of Ocean and Coastal Resource Management, have identified four high priority implementation areas:
 - the development or improvement of local zoning or other land use ordinances to address coastal issues, such as protecting water dependent uses, encouraging public access to coastal waters, or protecting marine water quality;
 - the development of a local harbor ordinance consistent with Title 38 of the Maine Revised Statutes Annotated;
 - the development of a local harbor and waterfront management plan, including a mooring plan; and
 - the development of a detailed public access plan.

[Note: Municipalities that accept coastal management grant funds for the preparation of a harbor plan or ordinance will be required to consider the establishment of a mooring allocation policy that does

not discriminate based on residency status. Municipalities may, however, charge higher fees to nonresidents, limit boat size in certain areas, and favor certain types of uses (e.g. commercial fishing).]

While the Office recognizes that each comprehensive plan will contain its own unique set of implementation strategies and priorities, we strongly encourage coastal municipalities to use coastal management grant funds to address one or more of these four important areas. If, however, an applicant can demonstrate that these four areas have been adequately addressed or are not relevant, the municipality can use coastal management grant funds to work on other pieces of its implementation strategy related to Maine's Coastal Policies. Coastal municipalities are also encouraged to join together to address shared resources, such as a harbor, river, or bay.

As with implementation grants, in order for a cost to be eligible, it must have been incurred after the plan's submittal to the Office for review and comment. In addition, coastal management grants are not intended to finance the ongoing operation of an implementation program; therefore, recurring operational or maintenance costs will not be considered eligible.

- F. **Application Procedures:** An eligible coastal municipality wishing to apply for a coastal management grant must fill out the required application materials provided by the Office. This will include a narrative description of the activities to be undertaken, documentation that the proposed activities are consistent with the intent of coastal implementation strategy elements of the applicant's comprehensive plan, an itemized cost schedule for each activity to be undertaken, and documentation that the costs are eligible. If proposed activities are not related to the four priority areas listed in section IV(E) above, the applicant must demonstrate that these areas have been adequately addressed or are not relevant.

Municipal officials are encouraged to contact Coastal Program staff at the Office to discuss potential coastal management activities prior to submitting an application. The Office has worked with many coastal municipalities on waterfront zoning, harbor management and public access projects and can assist you with the preparation of a grant application.

- G. **Payment Procedures:** Same as Section III(G) for implementation grant program.
- H. **Local Approval for Funding:** Same as Section III(H) for implementation grant program, except that the municipality should approve the acceptance of federal funds as well.
- I. **Role of the Regional Councils:** Same as section III(I) for implementation grant program.
- J. **Hiring Consultants:** Same as section III(J) for implementation grant program.
- K. **Record Keeping:** Same as section III(K) for implementation grant program.

V. **Sample Warrant Article/Resolution:** =====

As described in Section H above, prior to receiving an implementation grant, your municipal legislative body must vote to accept these funds. Provided below and on the next page are a sample warrant article and resolution which you can use as a basis for your article/resolution.

**SAMPLE WARRANT ARTICLE
TOWN MEETING ACCEPTANCE OF IMPLEMENTATION GRANT FUNDS**

Art. _____. Shall the town vote to accept Implementation Grant funds as provided by the Maine State Legislature [or the Maine Coastal Program of the Department of Economic and Community Development], to raise* the local funds required as a match to the grant, to appropriate the grant and required local matching funds for the development of an implementation program pursuant to the Comprehensive Planning and Land Use Regulation Act, to authorize the selectmen to contract with the State Department of Economic and Community Development for the grant, and to authorize the selectmen to contract, as necessary, for materials and services needed to achieve the purposes of the grant?

INFORMATION: Estimate amount of grant: \$ _____
 Estimated amount of local match: \$ _____

_____ *If the town does not plan to raise new funds for the local match, but rather plans to borrow the necessary funds or to transfer the necessary funds from an existing account, it should replace the word "raise" with "borrow" or "transfer from existing accounts."

SAMPLE RESOLUTION
TOWN COUNCIL ACCEPTANCE OF IMPLEMENTATION GRANT FUNDS

WHEREAS the Maine State Legislature, through enactment of the Comprehensive Planning and Land Use Regulation Act, has recognized that local comprehensive planning is necessary to guide the future growth and development of Maine municipalities so as to maintain and enhance the quality of life for Maine citizens, and has established programs to financially assist local comprehensive planning efforts, and

WHEREAS the Office of Comprehensive Planning, within the State Department of Economic and Community Development, has offered a matching grant to the Town of _____ to assist the Town's development of an implementation program in accordance with the Comprehensive Planning and Land Use Regulation Act,

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of _____ that the Council authorizes the Town Manager to accept an Implementation Grant of \$_____ as provided by the Maine State Legislature [or a Coastal Management Grant as provided by the Maine Coastal Program of the Department of Economic and Community Development], raise* \$ as the required local match to the grant, appropriate the grant and required local matching funds for the development of an implementation plan pursuant to the Comprehensive Planning and Land Use Regulation Act, contract with the State Department of Economic and Community Development for the grant, and contract, as necessary, for materials and services needed to achieve the purposes of the grant.

This the _____ day of _____, 19__.

_____*If the town does not plan to raise new funds for the local match, but rather plans to borrow the necessary funds or to transfer the necessary funds from an existing account, it should replace the word "raise" with "borrow" or "transfer from existing accounts."

**Belfast Waterfront Study
Potential Uses**

Prepared for
Belfast Waterfront Committee
and
The Waldo County Opportunity Zone

Prepared by
Market Decisions, Inc.
P.O. Box 2414
South Portland, ME 04116-2414

September 1991

Table of Contents

<u>Section</u>	<u>Page</u>
Executive Summary	
Introduction	1
The Belfast Labor Market Area	2
The Marina Market Area	9
Marina Demand Potential	14
Marine Related Retail Potential	19
Hotel Potential	21
Office Space Potential	31



MARKET DECISIONS

Research & Planning

EXECUTIVE SUMMARY

Market Decisions, Inc.'s role in the development of the plan was to provide a brief overview of the market supports for a limited number of uses as they related to the waterfront redevelopment. The four types of development that were analyzed included:

- 1) Marina
- 2) Marine related retail
- 3) Hotel
- 4) Office

The market overview for each use included:

- 1) Identification of market area
- 2) Demographic and economic overview
- 3) Demand analysis of potential market supports

The overview does not include a detailed evaluation of the competitive environment with respect to each use. Therefore, though the demand analysis may indicate the overall market for a use, we cannot determine to what extent that demand is currently being satisfied by comparable facilities in the Belfast area. Because a comprehensive market study was not conducted for each use, definitive conclusions and recommendations concerning the four different uses, therefore, cannot be determined.

Marina Potential

Based on the trade area identified in the study by Market Decisions, there are estimated market supports for approximately 100 marina slips in Belfast. It is important to note that this estimate of demand is a "ballpark" figure based on available official data sources and extrapolating data from previous marina market studies conducted by Market Decisions in the mid-coast area. Since no survey of boat owners has been conducted to measure specific interest in Belfast Harbor, it is difficult to determine demand with a high degree of accuracy. However, Market Decisions believes that the analysis does provide an order of magnitude of the demand potential for the development of a marina in Belfast. Market Decisions cautions that previous marina studies have indicated a price sensitivity with respect to slip rents in the mid-coast area. This sensitivity stems from, in part, the economics of the area and a loyalty of boat owners to inexpensive moorings at \$30 (local) and \$90 (nonresident) per season.

Market Decisions recommends that a prerequisite of the development of a marina be a comprehensive market study to

determine (1) cost analysis of a marina, (2) a more specific determination of demand for slips in Belfast Harbor, and (3) the price sensitivity to those slips.

Market Decisions recommends that the City of Belfast pursue a private developer for a marina project. Of the four uses analyzed, we believe this to be the best use alternative. A marina project should serve as a catalyst for the long-term overall development strategy of the waterfront.

Marine Related Retail

Much of the supply needs of boat owners in the Belfast area are currently being served by area marine retail stores such as Hamilton Marine in Searsport, the largest marine retail store north of Boston.

Market Decisions believes that the marine retail use poses somewhat of a "chicken and egg" dilemma. On one hand, the size and range of supplies offered by a marine store will be directly related to the size of the marina, including the number of boats in slips and on moorings as well as the number of transient boats using Belfast as a stopover point. The transient boat owner will have the greatest influence on the range of supplies to be offered. The other factor in the dilemma is that marine supplies must be available when the marina opens.

Therefore, Market Decisions recommends that a marine supply store that sells a limited range of items be part of the overall marina development plan. Though most of the local boat owners will choose to shop at Hamilton Marine (or one of the other marine retail establishments in the mid-coast region) to purchase a majority of their supplies, a marine store on the waterfront can serve to fill their immediate demands. Any marine retail activity should position itself and provide for flexibility with respect to providing a range of supplies demanded by transient boat traffic.

Hotel Potential

Based on the trade area identified in the market study, indications are that the market supports do not exist at this time for a moderate size (40 - 50 room) hotel on the Belfast waterfront. The demand for transient rooms is generated by two broad markets: leisure or pleasure travel and business travel (including conventions and conferences). Based on hotel industry standards and requirements, a new moderate size project would need to achieve a minimum annual occupancy rate of 65% in order to be profitable. Based on historical occupancy rates of Belfast area hotels and previous tourism market studies conducted for the Maine State Development Office, it is doubtful that this level of performance could be achieved. Market Decisions recommends that this use not be pursued at this time.

Office Potential

Market Decisions (with assistance from the Waldo County Opportunity Zone) estimates that there are approximately 125,000 - 130,000 square feet of office space in the Belfast area. This figure does not include office space that is associated with manufacturing facilities such as Penobscot Frozen Food or Stinson Canning. The demand for office space depends on new business formation in the area, on businesses relocating to the area, and on local businesses expanding.

Based on national standards, on average approximately 200 square feet of office space is allocated per white collar employee. According to the Maine Department of Labor, there was an annual average of 640 white collar employees working in the Belfast LMA in 1990. Based on an average of 200 square feet per employee, there is a current estimated demand of 128,000 square feet of office space in the market area.

Current market conditions indicate that much of the office space being absorbed in Belfast (primarily at the Belfast Center building) is by firms seeking more space with better amenities, such as parking, for the same or lower lease rates. Professionals, including doctors, lawyers, accountants, etc., also have the option of purchasing single family homes and converting them to office space.

The Maine Department of Labor data does not suggest that the Belfast area will likely experience growth in white collar jobs that will justify the need for the development of moderate to large amounts of office space in Belfast during the next five years.

Market Decisions recommends that development of office space not be a primary focus of the Belfast waterfront plan.

Any future potential for the creation of an office space project on the Belfast waterfront will need to offer quality space in flexible sizes, with amenities such as ample parking, in order to be successful. It appears that the current demand for office space in the Belfast LMA is being adequately served. Market Decisions believes that, unless a moderate to large employer moves to the area or Belfast can position itself as a strategic location for a satellite office for firms serving the mid-coast, there will not be adequate growth in the employment sectors that demand office space to make an office project feasible.

INTRODUCTION

The Belfast Waterfront Committee requested Market Decisions, Inc., to analyze the demand potential for four types of development. These uses include:

- 1) Marina
- 2) Marine related retail
- 3) Hotel
- 4) Office

Market Decisions conducted a market overview for each use. The overviews included:

- Identification of the market area, that is, the area from which a majority of the users will originate.
- Demographic and economic overview of the market area.
- Demand analysis to determine the potential market supports for the selected use.

The overview did not include any detailed evaluations of the competitive environment as it relates to each use. Therefore, though the demand analysis might indicate the potential for a type of development, no determination has been made as to the portion of the identified demand that may be available to support waterfront redevelopment.

Based on the findings of previous market studies conducted by Market Decisions, the primary market area for the City of Belfast equates to those communities that compose the state-defined Belfast Labor Market Area (LMA). The LMA includes the communities that comprise Waldo County, less the Town of Winterport. This market area applies to both the analysis for hotel potential and office space potential. The marina market area is considerably larger and includes not only the Belfast LMA but also part of the Bangor area, Augusta area, and the Bucksport area. The marine related retail market area includes those boat owners that currently use or may use Belfast Harbor when and if a marina is constructed.

A discussion of the Belfast LMA serves as a reference point for the market research portion of the Belfast Waterfront Study. The next section provides an overview of Belfast and the area it serves.

DESCRIPTION OF THE BELFAST LABOR MARKET AREA

Overview

The City of Belfast is located in eastern Waldo County, approximately 27 miles north of Rockland and 34 miles south of Bangor. It is linked to Rockland and Camden to the south via Route 1, Bangor to the north via Route 1A, and Augusta to the west via Route 3. Route 1 is the major north/south coastal route and Route 3 is a major east/west route.

Belfast has historically been primarily a blue collar community that serves as the economic hub for most of Waldo County. This community has an urban character because of its location on Belfast Harbor and Route 1. Belfast has established itself as the retail center of eastern Waldo County and is the county seat. The city has a variety of chain and independent retail stores that cater to area residents and summer tourists.

Belfast is part of a state-defined labor market area (LMA) that encompasses Waldo County, less the town of Winterport. Historically, this LMA has had unemployment rates well above the state average. As of June 1991, the date of the latest published data, the Belfast LMA was suffering 11.0% unemployment compared to a statewide rate of 7.6%. The number of jobs in the LMA has grown moderately from 5,710 in 1984 to 6,730 in 1990. (See Table 1.)

The Belfast LMA's economy is rooted in manufacturing, the service sector, and the tourism industry. Since 1988, the number of jobs in the LMA has grown at less than half the average rate as the previous four years. During the later two years, the LMA lost jobs in both the durable and nondurable manufacturing sectors as the area shifted toward more service oriented jobs. This shift is indicative of Belfast's growing importance as a service and retail center for most of Waldo County. The substantial growth in the construction sector, fueled in part by tourism during the mid-1980's, has been eroded during the last two years.

TABLE 1

Sector	1984	1988	Preliminary 1990	Av. Ann. % Change	Av. Ann. % Change
				1984-88	1988-90
Total	5,710	6,550	6,730	3.5%	1.4%
Manufacturing	1,860	1,510	1,350	-5.1%	-5.5%
Durables	510	570	480	2.8%	-8.2%
Nondurables	1,350	940	870	-8.6%	-3.8%
Nonmanufacturing	3,840	5,040	5,370	7.0%	3.2%
Construction	230	550	420	24.3%	-12.6%
Trans./Utilities	310	290	310	-1.6%	3.4%
Wholesale Trade	110	130	180	4.3%	17.7%
Retail Trade	1,060	1,520	1,600	9.4%	2.6%
Finance, Ins.	100	90	90	-2.6%	0.0%
Services & Mining	1,020	1,260	1,440	5.4%	6.9%
Government	1,010	1,190	1,320	4.2%	5.3%

Source: Maine Dept. of Labor, 1984, 1988, and 1990 (preliminary)

The State Planning Office has characterized Belfast itself as a Small Economically Diversified City (Economic Distress and the Changing Nature of Rural Maine, 1979). Such communities are small job centers with populations of between 2,400 and 7,800. They are relatively compact, with 55% - 90% of the communities' housing located in their centers, and between 15% and 30% of the housing is multifamily.

Penobscot Frozen Foods, a producer of baked potato products located in Belfast, has just over 165 employees. Stinson Canning, which produces canned sardines and fish products, employs approximately 200 people in its Belfast Plant. As evidence of the shift away from the manufacturing sector, Etonic closed its men's shoe factory in Belfast within the past two years, idling 75 workers.

Additionally, a substantial number of people are employed by the major retailers in Belfast. The retailers are supported both by Waldo County's population of 32,000, many who treat Belfast as a regional center, and by an active trade among summer tourists visiting downeast coastal Maine, including points along Penobscot Bay and Acadia National Park. Taxable consumer retail sales in the Belfast area (including Belfast Economic Summary area) increased by an average of 9.2% per year from 1984 - 1990, according to State sales tax data: from \$44.8 million to \$76.7 million. The City of Belfast accounts for 85% of those sales.

Belfast serves as a major employment center. Commuting data from the 1980 U.S. Census indicates that approximately 82% of the labor force in Belfast held slightly more than 52% of all jobs in Belfast. Additionally, 63% of all the town of Waldo's workers, 43% of Morrill's workers, and 37% of both Searsmont's and Belmont's workers commuted to Belfast.

Population and Household Growth

Between 1970 and 1980, the population of the Belfast LMA increased at an average annual rate of 1.9% to 25,739. The City of Belfast itself grew at a slow average annual rate of 0.5% to 6,243, gaining about 290 people during the period. The population in the rest of the LMA increased at an average annual rate of 2.4% to 19,496, gaining approximately 4,100 people. (See Table 2.)

Based on the 1990 U.S. Census data, the LMA has grown since 1980 to a current population of 29,843, for a slower average annual growth rate of 1.5%. The City of Belfast's population is estimated to have remained relatively stable, increasing at a slow average annual rate of 0.2% (similar to the previous decade), or about 110 people, to 6,355. The population of the rest of the LMA (excluding Belfast) has experienced an average annual increase of 1.9% -- or about 4,000 people -- to 23,488. According to the 1990 U.S. Census data, 410 people reside in group quarters in the LMA (149 of those in Belfast).

TABLE 2
Belfast Waterfront Study
Population and Household Change
Belfast LMA

	U.S. Census <u>1970</u>	U.S. Census <u>1980</u>	U.S. Census <u>1990</u>	Av. Annual Change <u>1980-1990</u>	1995 Proj.	Av. Ann. Change <u>1990-1995</u>
<u>Population</u>						
Belfast LMA	21,365	25,739	29,843	1.5%	31,922	1.4%
City of Belfast	5,957	6,243	6,355	0.2%	6,465	0.3%
LMA less City	15,408	19,496	23,488	1.9%	25,457	1.6%
<u>Households</u>						
Belfast LMA Group Quarters	6,548	8,929 317	11,298 410	2.4%	12,358 410	1.8%
City of Belfast Group Quarters	1,981	2,288 112	2,579 149	1.2%	2,699 149	0.9%
LMA less City Group Quarters	4,567	6,641 205	8,719 261	2.8%	9,659 261	2.1%
<u>Household Size</u>						
Belfast LMA	3.21	2.85	2.61		2.55	
City of Belfast	2.95	2.68	2.41		2.34	
LMA less City	N/A	2.90	2.66		2.60	

Sources: U.S. Census
National Planning Data Corp.
Market Decisions, Inc.

The number of households in the LMA increased during the 1980's. Based on the 1990 U.S. Census data, between 1980 and 1990 households in the LMA increased at an average annual rate of 2.4%, or by 240 households per year. This 26.5% increase has brought the total number of households to an estimated 11,298.

Looking at the City of Belfast alone from 1980 - 1990, according to the available 1990 U.S. Census data, the number of households has increased at an average annual rate of 1.2% from 2,288 to 2,579 (or 28 - 32 households per year).

In the rest of the Belfast LMA (less the City of Belfast) the number of households has increased at an average annual rate of 2.8% (or 200 - 210 households per year) from 6,641 to 8,719.

Over the next five years the number of households in the LMA is projected to grow at a somewhat slower average annual rate of approximately 1.8%, to 12,358. The number of households in the City of Belfast is projected to increase at an average annual rate of 0.9% (or 20 - 25 households per year), reaching about 2,700 by 1995. In the rest of the LMA, the number of households is projected to increase at an average annual rate of 2.1% (or 185 - 190 households per year), to about 9,660 households in 1995.

According to distribution estimates of National Planning Data Corporation, the fastest growing head of householder cohort in the Belfast LMA and the City of Belfast during the past ten years has been the 35 - 64 year old age group. In the rest of the LMA, the households headed by a person 35 - 64 and 65 years old or older grew at approximately the same rate. The households headed by a person 35 - 64 years old is by far the largest group in the LMA as well as the two submarket areas. (See Table 3.)

Characteristics of the Population

The Belfast LMA's work force is a mixture of blue collar and white collar workers. According to the 1980 U.S. Census data, approximately 41% of the labor force worked in blue collar occupations such as producers, craftsmen, operators, or laborers (versus a statewide average of nearly 37%). Another nearly 18% held positions in sales and administrative support (versus a statewide average of about 23%), while slightly more than 13% worked in service occupations. Approximately 20% were employed in executive/professional positions and about 2% were employed in technical positions. Slightly more than 7% of the LMA's work force were employed in farming (versus a statewide average of slightly less than 4%).

By industry, in 1980 slightly less than 29% of the Belfast LMA's work force were employed in manufacturing (versus a statewide average of 27%) and about 27% were employed in the service sector. Slightly more than 14% of the labor force worked in the retail industry. The public administration sector and the transportation/public utility sector each accounted for about 6% of the work force. Approximately 7% of the labor force worked in construction.

TABLE 3
Belfast Waterfront Study
Estimated Household Change
By Age Group
1990

	<u>1980</u>	<u>1990</u>	<u>% Change</u>
<u>Households - Belfast LMA</u>			
<35 years old	2,719	2,821	3.8%
35 - 64 years old	4,228	5,840	38.1%
65+ years old	1,982	2,636	33.0%
<u>Households - City of Belfast</u>			
<35 years old	631	597	(5.4%)
35 - 64 years old	1,039	1,287	23.9%
65+ years old	618	695	12.5%
<u>Households - Belfast LMA less Belfast</u>			
<35 years old	2,088	2,224	6.5%
35 - 64 years old	3,189	4,553	42.8%
65+ years old	1,364	1,941	42.3%

Note: Household numbers may not add to match those in Table 2 due to rounding.

Source: U.S. Census
National Planning Data Corporation
Market Decisions, Inc.

In 1980, slightly more than 33% of the Belfast LMA's residents over the age of 25 had not completed high school. About 40% had a high school diploma only, approximately 13% had some college, and more than 13% had a college degree.

Income levels in the Belfast LMA are in the lower range. In 1979, the per capita income of residents was \$4,651, approximately 19% less than the state per capita income of \$5,768. The 1990 per capita income for the LMA is estimated by the National Planning Data Corporation to be \$10,286.

Median household income in the Belfast LMA in 1979 was \$11,407, approximately 17% less than the statewide median of \$13,816. The National Planning Data Corporation estimates the 1990 median household income in the LMA to be \$22,400.

In 1990, nearly 33% of all households in the LMA are estimated to have incomes below \$15,000 and about 41% are in a moderate range with incomes of between \$15,000 and \$35,000. About 27% percent are estimated to have incomes exceeding \$35,000. (See Table 4.)

TABLE 4
Belfast Waterfront Study
Estimated Household Income Distribution
Belfast LMA
1990

Income Range	All HH's	All HH's	HH's <35	HH's 35-64	HH's 35-64	HH's 65+	HH's 65+
Total households	11,298	100.0%	2,821	100.0%	100.0%	2,636	100.0%
under \$15,000	3,696	32.7%	863	30.6%	23.6%	1,452	55.1%
\$15,000 - \$24,999	2,622	23.2%	787	27.9%	22.3%	532	20.2%
\$25,000 - \$34,999	1,988	17.6%	567	20.1%	18.7%	327	12.4%
\$35,000 - \$49,999	1,889	16.7%	446	15.8%	21.1%	214	8.1%
\$50,000 - \$74,999	785	7.0%	127	4.5%	10.1%	74	2.8%
\$75,000+	317	2.8%	31	1.1%	4.2%	40	1.5%

Note: Some columns may not add exactly due to rounding.

Source: U.S. Census
National Planning Data Corp.
Market Decisions, Inc., August 1991

THE MARINA MARKET AREA

Boundaries

The marina's prospective primary market area is the contiguous area from which 70% - 80% of slip users can be expected to be drawn. The remaining 20% - 30% would come from fringe areas or from beyond the market area.

The Belfast waterfront and its location within the region strongly suggests that the market area will take on a north-south orientation along the Route 1/1A corridor, which roughly follows the coastline and along the Penobscot River to Bangor. The inland east-west axis (from Belfast to Augusta) is also served by a highway network. Though Route 3 does not offers boaters intervening opportunities (with the exception of China Lake), it does provide generally easy access to the water at points in the Belfast area.

Based on previous marina studies conducted by Market Decisions in the mid-coast area, as well as the locational characteristics of the Belfast waterfront, the primary market area's basic outline will be Waldo County, Bangor metropolitan area, the immediate Augusta area, and the Bucksport area. These boundaries have been modified to reflect roadway patterns and distance from the site: 25 - 30 miles to the north, 10 miles to the southwest, 45 miles to the west, plus nearby towns in Hancock County that do not front on Penobscot Bay. This results in a 41-community primary market area:

Waldo County

Belfast	Morrill
Belmont	Northport
Brooks	Palermo
Burnham	Prospect
Frankfort	Searsmont
Freedom	Searsport
Islesboro	Stockton Springs
Jackson	Swanville
Knox	Thorndike
Liberty	Troy
Lincolnville	Unity
Monroe	Waldo
Montville	Winterport

Penobscot County

Bangor	Hermon
Brewer	Holden
Glenburn	Newburg
Hampden	Orrington

Kennebec County

Augusta
China

Vassalboro
Windsor

Hancock County

Bucksport
Orland

Verona

Demographics of Marina Market Area

Population: The market area's population is growing slowly and, according to the 1990 U.S. Census, the area's current population is 133,482, up from 123,237 in 1980. The average annual change during the decade is estimated at 0.8%. The population is projected to grow by 3% - 4% over the next five years to approximately 138,000. See Table 5. The Penobscot County portion of the market area represents one-half of the population, the Waldo County portion approximately a quarter, the Augusta portion slightly less than one-quarter, and the Hancock County portion about 5%.

Households: The rate of increase in number of households has been nearly twice the rate of population growth. This is the result of the full entry of the "baby boom" generation into its household creation years, combined with fewer persons in each household. According to the 1990 U.S. Census, there are currently 51,700 households in the market area, up from 44,046 in 1980, for an average annual rate of increase of 1.6%. The number of households is projected to increase by 6% - 7% over the next five years to nearly 55,000. See Table 5.

Occupations: The market area's diverse occupational profile reflects the regional service and white collar role of Bangor, state government in the Augusta area, the tourist economy of the coast, and a few sizable manufacturers (Champion International in Bucksport, Eastern Fine Paper in Brewer, Ansewn Shoe in Bangor, Bangor Publishing Co. in Bangor, GE and GTE in Bangor, Penobscot Frozen Foods in Belfast, Stinson Canning Co. in Belfast). As of 1980, about 23% of employed persons were in executive/administrative/professional positions and 30% were in other white collar positions. About 15% were service workers and 30% were blue collar workers. Slightly more than 2% were in farming and fishing occupations. See Table 6.

Householder Age: As the baby boom generation ages, the market area is "middle-aging." In 1980, about 1 in 6 householders was 35 - 44 years old. Today, more than 1 in 5 are in this cohort. And in 1995, slightly more than 1 in 4 will be in this group. Over the next five years, 45 - 54 year old householders will gain shares as well, as the first "baby boomers" begin to enter that cohort. Young adults will decline as a percentage of all householders. See Table 6. The demographic trend is significant, because 35-to-54 are the prime boat buying years.

TABLE 5
Belfast Marina Demand Potential
Population and Household Change
1970, 1980, 1990, and 1995 projections

	1970	1980	1990	Av. Ann. % Ch. 1980-90	1995 Proj.	Av. Ann. % Ch. 1990-95
<u>Population</u>						
Belfast Marina Market Area	112,440	123,237	133,482	0.80%	138,072	0.68%
<u>Households</u>						
Belfast Marina Market Area	34,155	44,046	51,700	1.62%	54,958	1.15%
<u>Persons per Household</u>						
Belfast Marina Market Area	3.13	2.71	2.50		2.44	

Source: U.S. Census 1980, 1990
National Planning Data Corp.
Market Decisions, Inc., 1995 projections

Market Decisions, Inc., August 1991

TABLE 6
Marina Market Study
Selected Demographic Characteristics
Belfast Marina Market Area

<u>Occupation</u>	<u>1980</u>	<u>Est. 1990</u>	<u>Proj. 1995</u>
Executive/Admin./Prof.	22.8%	N/A	N/A
Technical/Sales	13.6%		
Administrative Support	16.3%		
Subtotal White Collar	52.7%		
Production/Crafts	13.2%		
Operatives/Laborers	16.7%		
Subtotal Blue Collar	29.9%		
Services	14.9%		
Farm/Fishing	2.5%		
<u>Householder Age</u>			
Under 25	9.0%	6.3%	5.8%
25 - 34	23.3%	21.5%	18.8%
35 - 44	16.5%	21.5%	22.5%
45 - 54	15.4%	15.5%	18.2%
55 - 64	15.3%	13.6%	12.7%
65+	20.6%	21.7%	22.0%
<u>Household Income (Unadj. for Inflation)</u>	<u>1979</u>	<u>Est. 1990</u>	<u>Proj. 1995</u>
Less than \$15,000	55.4%	28.0%	20.3%
\$15,000 - \$24,999	27.4%	21.1%	17.0%
\$25,000 - \$34,999	11.0%	16.4%	15.9%
\$35,000 - \$49,999	4.5%	18.2%	18.1%
\$50,000 - \$74,999	1.3%	11.9%	17.2%
\$75,000 - \$99,999	0.3%	2.8%	7.9%
\$100,000 or more	0.1%	1.6%	3.6%
Median	\$13,405	\$25,506	\$32,937
Median - Maine	\$13,826	\$26,735	\$34,684
Median - Portland MSA	\$15,568	\$33,128	\$44,205

Sources: U.S. Census
National Planning Data Corp.
Market Decisions, Inc.

Income: The market area can be characterized as moderate-to-middle income. Its median household income is estimated at \$25,506, or about 95% the statewide level (and, for further comparison, about 77% the level for the Greater Portland area; see Table 6). About 49% of market area households are estimated to have less than \$25,000 income, while about 16% are estimated to have \$50,000 or more income. By 1995, it is projected that about 29% of households will have \$50,000 or more income. Most of this will be attributable to inflation (assuming an average rate of 4.5% - 5.0%) However, there will also be real income growth as the households with the highest incomes -- those headed by a person 35 - 54 years old -- become more prevalent in the market.

MARINA DEMAND POTENTIAL

Boating Trends in Maine

Different indicators suggest that the recreational boating trend in Maine is relatively stable-to-increasing:

- The long-term (20-year) trend nationally shows the percentage of adults who participate in motorboating to be stable (16% in 1966, 15% in 1985). [Source: Gallup Leisure Activities Index, 1986]
- The long-term trend nationally shows the percentage of adults who participate in sailing to be on the rise (2% in 1966, 5% in 1985).

Even a stable rate of participation indicates an absolute growth in boating, since there are more adults today than 20 years ago (when the baby boom was still in youth).

- Revenues from sales of boats in Maine have grown rapidly, from \$35.8 million in 1984 to \$97.1 million in 1990, or an average annual rate of growth of 18.1%. [Source: Maine Bureau of Taxation] This burst in sales undoubtedly is related to the baby boom's entry into the "boat buying" cohort of 35-to-54 years old, and to the state's strong economy during 1984 - 1988.
- However, the number of boats registered in Maine and used for pleasure has actually declined during the last six years, from 106,281 in 1984 to 102,991 in 1990, or an average annual rate of decline of 0.5%. [Source: Maine Dept. of Inland Fisheries and Wildlife]

Boater Profile

Past surveys conducted by Market Decisions of owners of boats that are 20 feet or longer provide an overall profile of serious boaters in the midcoast region of Maine. It is important to note that these previous studies did not include the Augusta area. It must be cautioned that the profile is not precise, but nevertheless is a useful approximation. Following are some applicable highlights:

Age: Between 45% and 50% of boat registrants are 35-to-54 years old, and 40% - 50% are 55 or older. Less than 10% are under 35. The Bangor area and Waldo County tend to have more middle-aged (35-to-54) registrants, while Hancock County has a higher proportion of retiree aged (65+) registrants.

Occupation: 40% - 45% of registrants are in professional or other white collar occupations. 20% - 25% are retired, and slightly less than 20% are in fishing or other marine-related occupations.

Incomes: More than 50% have household incomes of \$50,000 or more. This ranges significantly among registrants from the areas that comprise the market area.

Boat Length: Slightly more than 50% own boats that are 25' to 39' long. Approximately 40% own boats of 20' - 25' length, and less than 10% own boats of 40' or more.

Type: Three in five own powerboats, while two in five own sailboats.

Excursions: Day trips are the typical type of excursion for three-quarters of the boaters. Less than 10% typically take excursions of a week or more. About 40% never stop at another port before returning to their home port, while 35% - 40% occasionally do, and 20% - 25% almost always do.

Demand for Slips

Within the marina market area (Waldo County, the Bangor area, the Augusta area, and the Bucksport area), there are a total of 1,274 state-registered boats of 20 feet or longer. (See Table 7.) This represents about 9.54 such boats for every 1,000 people in the population. This ratio varies by geography:

Area	No. Boats 20'+	1990 Pop.	No. 20'+ Boats/1,000 Pop.
Waldo Co.	524	33,018	15.87
Bangor Area	445	62,707	7.10
Augusta Area	220	30,612	7.19
Bucksport Area	85	7,145	11.90
TOTAL	1,274	133,482	9.54

Based on previous marina market studies conducted in the area, the large majority -- 70% to 80% -- of large boat owners rent or own a mooring for their boats. Only 5% - 10% rent a slip. In very large part, this small percentage is due to a paucity of slips in the area. Based on an extrapolation of past survey results, given the choice of a mooring or a marina slip, approximately 55% - 60% indicated that at least in theory they would choose a marina slip. Applied to the population of 1,274 owners of 20-foot-plus boats, this would suggest interest in the concept of a marina among 700 - 750 of them.

TABLE 7
Belfast Marina Demand Potential
20 Foot or Longer Registered Boats
Belfast Marina Market Area

	<u># 20' Boats</u>	<u>1990 Population</u>	<u># of 20'+ Boats/1,000 Pop.</u>
Waldo County:	524	33,018	15.87
	(94 Belfast)		
Kennebec County:			
Augusta	132	21,325	
China	43	3,713	
Vassalboro	32	3,679	
Windsor	<u>13</u>	<u>1,895</u>	
	220	30,612	7.19
Hancock County:			
Bucksport	39	4,825	
Orland	33	1,805	
Verona	<u>13</u>	<u>515</u>	
	85	7,145	11.90
Penobscot County:			
Bangor	188	33,181	
Brewer	59	9,021	
Glenburn	30	3,198	
Hermon	27	3,755	
Hampden	56	5,974	
Holden	34	2,952	
Newburg	12	1,317	
Orrington	<u>39</u>	<u>3,309</u>	
	445	62,707	7.10
TOTAL	1,274	133,482	9.54

Source: Inland Fisheries and Wildlife
State of Maine
Market Decisions, Inc., August 1991

Preference for marina slip

	Weighted Total	Waldo	Bangor	Augusta	Bucksport
20' Boat Owners	1,274	524	445	220	85
% Choosing Slip	<u>57%</u>	<u>52%</u>	<u>72%</u>	<u>40%</u>	<u>50%</u>
Total	722	272	320	88	42

The number of boat owners who have a preference for a marina slip drops by more than a half when a minimal cost for a slip (\$45/foot/season) is incorporated. An estimated 26% of those who are estimated to have a preference for a marina slip would be willing to pay at least that much for a slip. Extrapolated to the population of 20-foot-plus boat owners yields 300 - 350 boaters still interested in the concept:

Willingness to pay \$45/foot or more for marina slip

	Weighted Total	Waldo	Bangor	Augusta	Bucksport
20' Boat Owners	1,274	524	445	220	85
% Choosing Slip	<u>26%</u>	<u>22%</u>	<u>31%</u>	<u>25%</u>	<u>23%</u>
Total	328	115	138	55	20

Without a survey of the owners of boats 20 feet or greater in the market area, it is impossible to predict what the level of interest is with respect to slips in Belfast. Not all those who are interested, in concept, in a marina slip would be interested in a marina in Belfast Harbor. "Interest" frequently does not translate into behavior. A rule of thumb is that 80% of those expressing a high level of interest and 20% of those expressing a lesser level of interest may actually act upon that interest if given the opportunity. Assuming that boat owners in the market area would have a similar level interest in a slip in Stockton Springs as they would in Belfast, approximately 30% of the boat owners could be expected to be both interested and to act on that interest.

Estimated Interest in Belfast Marina
(Adjusted to reflect level of interest and a willingness to pay
\$45/foot or more for a marina slip)

	Weighted Total	Waldo	Bangor	Augusta	Bucksport
20' Boat Owners	328	115	138	55	20
with interest	<u>31%</u>	<u>40%</u>	<u>30%</u>	<u>18%</u>	<u>20%</u>
Total	101	46	41	10	4

Care must be used in accepting the results of this analysis as an indication of demand potential. Since no survey was conducted specifically to measure interest in Belfast Harbor, it is difficult to determine, with any great accuracy, demand potential. However, combined with a review of the market area's demographics and conversations with knowledgeable people in the local boating industry, we believe a reasonable estimate of total potential demand for the marina is 100 - 110 slips.

As seen earlier, population growth in the market area is projected to be modest over the next five years -- only about 0.8% per year. However, growth in households headed by persons 35 - 54 years old -- the prime boat buying years -- will increase by five times that rate (about 3.8%/year). Demand for slips can be expected to follow this trend line. If so, in five years total potential demand is projected at 120 - 130 slips.

Current Boat Accommodations in Belfast

There are currently 245 moorings and 8 mooring floats (which hold two boats) in Belfast Harbor. According to the Harbormaster, approximately 95% of these boats are used for pleasure. The number of moorings has increased 133%, from 105 in 1985. The mooring fee for Belfast residents is \$30 per year, and the fee is \$90 for nonresidents.

The City provides a public launch, gas and diesel pumps, and sewage pump-out.

John Holmes of Consumer Fuel installed 16 slips for seasonal rentals in 1989. According to Mr. Holmes, currently 15 of the 16 slips are rented for the season and one slip is being used for transient and short-term rental. The lease rate schedule for the slips is:

<u># of Boats</u>	<u>Seasonal Lease Rate</u>	<u>Length of Boat</u>
6	\$1,200	up to 27½'
8	\$1,400	28' to 34½'
1	\$1,700	35' to 43'

The marina offers services such as water and electricity.

Other than moorings, the transient boat owner has very limited options currently in Belfast Harbor. The City Dock has approximately 460 feet of floating dock. Space is rented for \$0.75 per foot per night. (Example: a 35 foot boat would be charged \$26.25 for an overnight stay.) The facility is designed primarily to accommodate small to moderate size boats; however, it can provide accommodations for one boat up to 80 feet. The number of boats that the dock can accommodate at one time depends on the size of the boats. Additionally, there is one slip at John Holmes' marina, and the Belfast Boat Yard occasionally will accommodate a transient. The City Dock has space for up to three smaller boats.

MARINE RELATED RETAIL POTENTIAL

According to the previous surveys of boater owners in the mid-coast area, only three features were clearly deemed "essential" for a marina: fuel, deep water, and security. Features that were rated somewhere between "essential" and "desirable" include water supply to the slips and rest rooms. Services clearly rated as "desirable" include repair service, equipment to haul boats, electricity at the slip, ice, marine supplies, winter storage, and beverages/snacks. Less important to consumers were a launch ramp, sewage pumping, showers, laundromat, restaurant, nearby retail stores, and on-shore lodging.

Marina services vary by boater characteristics. Market Decisions has found that year-round residents of the local area near a marina consider the basics of fuel, water supply, security, rest rooms, winter storage, and sewage pumping as "essential," as well as groceries, lodging, and stores (though it is unclear why or how they would use the latter services). None of the listed features was rated by this group as generally unnecessary.

The size of a marine-related retail operation will be determined by the size of the marina (number of boats in slips), the number of boats on moorings in a harbor, and the amount of transient boat traffic. The amount of transient traffic will be important with respect to the range of supplies offered.

Based on mooring information supplied to Market Decisions by the Harbormaster in Belfast, of the 238 mooring users identified on the list, there are 125 sailboats, 104 motor boats, 8 row boats, and one dingy. The following table provides a complete breakdown by type of boat.

<u>Motor Boats</u>					<u>Row Boat</u>	<u>Dingy</u>
<u>Sail</u>	<u>Inboard</u>	<u>Outboard</u>	<u>Inboard/Outboard</u>			
125	37	43	24		8	1

The Belfast area is currently serviced by a number of nearby marine retail stores. The most noteworthy is Hamilton Marine in Searsport. This store reportedly offers the fullest line of marine suppliers of any store north of Boston. Hamilton Marine offers a complete line of marine hardware including chain, buoys, paint, rope, fiberglass, fastenings, electronics, books, charts, and safety equipment. Hamilton Marine also offers merchandise through a discount catalog. Two other marine retail stores, Rockland Boat in Rockland and Stetson & Pinkham in Waldoboro, also provide marine supplies to boaters in the mid-coast area.

Because of the presence and proximity of Hamilton Marine, the market for a marine-related retail shop on Belfast waterfront will

primarily be those boats either on moorings or in slips in the Harbor plus transient boat traffic. Area boaters who choose to locate their boats in Belfast Harbor are likely to obtain a majority of their marine supplies from sources such as Hamilton Marine. The transient boat traffic is likely to require a greater range of marine supplies than those boaters who live in the area. The number of boaters who either utilize Belfast as a stopover point or who recognize Belfast as providing a variety of marine services will be a determining factor in the size and type of marine supplies offered. However, a small marine supply store located on the Belfast waterfront could likely be supported by a marina that contains 75 to 120 slips and upward to 250 boats on moorings.

To determine the actual size and range of supplies offered would require a survey of marine retail stores that are affiliated with marinas. This survey would provide insights into the range of retail supplies offered and the number of boat owners served, both local and transient.

Market Decisions recommends that a marina store be considered as part of the waterfront plan in conjunction with a marina. The range of supplies offered should be limited to those that meet the immediate needs of boat owners. Examples of these supplies include: rope, cleats, paint, brushes, sponges, bumpers, and non-direct marine supplies such as coolers, flashlights, etc. The range of supplies offered should be adjusted depending on the size and type of boats in the harbor and the amount of transient traffic. Wayne Hamilton of Hamilton Marine expressed interest in the potential for a satellite marine retail store on the waterfront.

HOTEL POTENTIAL

The Belfast lodging market area compares closely with what the state has identified as the Belfast Labor Market Area (LMA). As discussed in the section that provides an overview of the Belfast LMA, the LMA includes the communities that comprise Waldo County, less the Town of Winterport.

Resident employed

The resident civilian labor force in the Belfast market area has been increasing at an average annual rate of 1.9% since 1984: from 11,250 in 1984 to 12,610 in 1990. The unemployment rate among this labor force has historically been above the statewide average. For all of 1984 the unemployment rate in the Belfast LMA was 11%, versus a statewide average of 6.1%. In June 1991, as previously indicated, the unemployment rate for the Belfast LMA was 11.0% versus a statewide average of 7.6%.

As of 1980, according to the U.S. Census data, nearly 29% of the Belfast LMA's residents were employed in manufacturing positions. Services, led by health and social services, accounted for one-quarter of all jobs held by LMA's residents. Retail trade accounted for another 14% of the work force.

Analysis of Demand Potential

The demand for transient rooms is generated by two broad markets: business travel (including conventions and conferences) and leisure or pleasure travel.

In 1988, the State Development office sponsored a comprehensive statewide study of travel in Maine of both nonresidents and residents. The study divided the state into regions, one of which was the mid-coast region (of which Belfast is a part). The study measured the economic impact of travel and the tourism industry in the region. Measurements were made for 1986, with estimates for 1987. The study evaluated the seasonality of travel, the purpose of trips, and the type of accommodations used, including hotels/motels.

Another study, which was carried out by the U.S. Travel Data Center, provides valuable statistics that assist in quantifying demand for rental lodging. According to the study, during the year August 1984 - August 1985, a total of 1,586,000 person-trips was received by the mid-coast region.

Table 8 displays some characteristics of these person-trips. Slightly less than half the trips were by nonresidents. A half were taken in the summer months and slightly less than one-quarter were taken in the fall. Only 3% of the trips were for business, conventions, and meetings (compared to 7% for the purpose statewide).

The proportion of the mid-coast visitors who used rental lodging was 36%. This is slightly higher than the proportion of statewide visitors (30%) that did so.

Business Demand

Major employers in the market area generate demand for overnight accommodations in varying degrees. The Belfast area has only a few large employers. The market area also includes a number of satellite facilities including Stinson Canning and Ducktrap, Inc. Penobscot Frozen Foods in Belfast and Delta Chemical in Searsport are two of the largest employers in the market area. The region's largest employer is Champion Paper in Bucksport.

The extent to which these firms generate overnight room demand depends on market area served (the larger the market, the more demand), size and type of business, and out-of-state vs. in-state ownership (out-of-state ownership generates more demand). Based on interviews with a sample of the principal area firms and institutions, there appears to be very little business traffic into the Belfast area that generates demand for overnight rooms.

In our discussions with Stinson Canning, they indicated that any activity that would generate overnight room demand would be associated with the main plant in Prospect Harbor. Most of the business trips to the Belfast plant are day trips and very rarely require an overnight stay. Harborside Graphics estimates 2-3 per month and then an annual sales meeting that requires 12 rooms for 3 nights. Ducktrap, Inc., estimates 1-2 per month; Penobscot Frozen Foods estimates 4 - 5 per month; and Mathews Brothers estimates 2-3 per month.

District Court-Belfast indicated that a majority of the lawyers that are involved with cases commute less than one hour. Rarely is there a lawyer from out-of-state or somewhere else in Maine who would generate an overnight stay.

Delta Chemical estimates 3-6 per month.

Champion Paper in Bucksport estimated 10 - 15 Champion personnel from other plants require overnight accommodations per month. Champion was not able to provide an estimate on other sales/business people who stay overnight when doing business at Champion. The Jed Prouty Inn, near the plant, serves as accommodation for most of the business that requires overnight rooms.

TABLE 8
Belfast Hotel Demand Potential
Selected Characteristics of Person-Trips
To Mid-Coast Region
August 1984 - August 1985

1. Resident vs. Nonresident

Nonresident	766,000	48.3%
Resident	820,000	51.7%

2. Person-Trips by Season

Spring	13.2%
Summer	49.4%
Fall	21.7%
Winter	15.6%

3. Person-Trips by Purpose of Trip

Visit friends and relatives	21%
For business/convention	3%
For outdoor recreation	23%
For entertainment	36%
For personal/family	1%
For other purposes	15%

4. Person-Trips by Type of Accommodations

Rental lodging (hotel, motel, bed & breakfast, etc.)	36%
Campground	24%
Nonrental	32%
Other	1%
Day trips	8%

Source: Maine Tourism Study, 1984-85, Volume 1, Market Analysis
Market Decisions, Inc., August 1991

Most of the employers interviewed indicated little difficulty in locating rooms most of the time. However, several mentioned that there is a lack of selection and quality associated with lodging facilities in the Belfast area.

Membership organizations also are potentially important sources of demand. Many membership organization meetings and seminars are one-day affairs, with minimal overnight demand. However, most hold annual meetings and training programs that last 2-5 days. Because of a lack of bed base combined with function rooms and restaurants, this potential market has not developed in Belfast. At present the Samoset in Rockport has positioned itself to capture a majority of this business in the mid-coast area.

Pleasure/Personal Demand

Pleasure and personal travel is generated by a wide variety of activities, from weddings and funerals to shopping and vacations.

The Belfast market area is not a prime vacation destination area, with the exception of China Lake to the west. It is, however, a convenient stopover point for travellers to points downeast, including Bar Harbor, Acadia National Park, the Ellsworth area, and the maritime Canadian region. Local motel operators report this as an important source of business.

The U.S. Travel Data Center estimates 1,500,000 - 1,600,000 annual person-trips into the mid-coast region for pleasure, personal, and entertainment purposes. The mid-coast region extends from Brunswick to Stockton Springs.

Thirty-six percent of these trips are for entertainment, another nearly 23% are for outdoor recreation, and 21% are to visit friends and relatives. Nationally, only about 36% - 39% of all pleasure/personal/weekend/vacation trips involve commercial lodging. The share in the mid-coast region is in line with the national averages, since there are a number of resort hotels in the area. (See Table 8.)

Of those who are travelling in the mid-coast region for pleasure or for personal reasons and who do use commercial lodging, the Camden/Rockport market probably captures about 30% - 40% of the total mid-coast region's person-trips taken for such purposes. The Belfast area captures only about 3% - 5% of such trips.

Indicators of Demand

The travel network -- in particular, the highway system -- is a valuable indicator of change in overnight traveller potential.

The annual average daily traffic along Route 1 at the Belfast/Northport town line increased by more than 1,900 vehicles

per day between 1983 and 1987 (the date of the latest information). This represents an average annual rate of growth of about 8.7%. (See Table 9.)

Annual average daily traffic counts on Route 1 on the Belfast/Searsport town line increased at an average annual rate of 5.2%, from 7,680 vehicles in 1983 to 9,390 vehicles in 1987 (the date of the latest data for the location). This increase represented an average of approximately 1,700 vehicles per day.

On Route 3 at a point referred to as Hayford Corner (approximately 2 miles west of the Route 3/Route 1 interchange in Belfast), the annual average daily traffic count increased by an average 1,360 vehicles from 1983 to 1990. This represents an average annual rate of growth of approximately 4.5%.

It is not known what portion of these vehicles carry overnight travellers. Data by quarter, which would give a sense of the importance of summer traffic and its role in tourism, is not available.

A final indicator of potential demand is the taxable retail sales records compiled by the Maine Bureau of Taxation. Lodging sales within the City of Belfast have declined slightly from \$1.64 million in 1989 to \$1.61 million in 1990. On a quarterly basis, during the summer months (peak tourist months), taxable lodging sales in Belfast increased from \$943,000 in 1989 to \$961,500 in 1990. (See Table 10.)

Seasonal Fluctuations

There are clear seasonal swings in demand for commercial overnight lodging in the Belfast market. First quarter lodging sales, according to state retail sales tax data, were about 4% of the annual total in 1990; second quarter sales were about 18% of the total; third (summer) quarter sales were about 60% of the total; and fourth quarter sales were about 19% of the total. (See Table 10.)

According to the Maine Tourism Study 1985-1986, the peak months for occupancy at hotels, motels, and resorts in the mid-coast area were June, July, August, and September. (See Table 11.) The occupancy rate during the four-month period ranged from 96.2% in June to 99.9% in August. May and October were shoulder months in which occupancy rates were 81.8% and 84.6%, respectively. Of the lodging facilities that are operating in the off-season, the occupancy rates are estimated to range from 10% - 30%.

TABLE 9
Belfast Hotel Potential
Traffic Counts

	1983	1986	1987	1988	1990
North Route 1 Belfast/Searsport	7,680	8,250	9,390	N/A	N/A
South Route 1 Belfast/Northport	4,895	N/A	6,830	N/A	N/A
Belfast Hayford Corner Route 3	3,780	4,060	5,050	N/A	5,140
Belmont Route 3	3,525	N/A	N/A	N/A	5,020

Source: MDOT, Bureau of Planning
Market Decisions, Inc., August 1991

TABLE 10
Belfast Hotel Potential
Taxable Lodging Sales

	1989	Quarter	1990	Quarter	1991	Quarter
Jan.	60.0}		13.4}		12.2}	
Feb.	50.0}	155.6	28.9}	60.2	24.2}	83.1
March	45.6}		17.9}		46.7}	
April	49.6}		26.2}		25.6	
May	79.9}	279.3	106.8}	288.4		
June	149.8}		155.4}			
July	316.6}		345.8}			
Aug.	366.7}	943.3	419.0}	961.5		
Sept.	260.0}		196.7}			
Oct.	115.1}		113.6}			
Nov.	35.6}	260.4	62.5}	303.9		
Dec.	109.7}		127.8}			
TOTAL	1,638.6		1,614.0		N/A	

Source: Maine Department of Taxation
Market Decisions, Inc., August 1991

TABLE 11
Seasonality of Hotels, Motels, Resorts
Percent of Rooms Open
for Mid-Coast Region and by Month
MAINE
1986

REGION	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Mid-Coast	48.2	49.2	49.5	54.7	81.8	96.2	99.8	99.9	97.2	84.6	55.5	50.0
State Average	57.5	57.8	59.6	64.1	86.1	96.5	98.8	99.2	96.1	85.4	65.3	61.5

Source: Maine Tourism Study, 1985-1986, Economic Analysis
Maine Development Office
Market Decisions, Inc., August 1991

In Belfast, there are a total of 278 lodging rooms in motels, bed and breakfasts (B&B's), and cottages. The rooms by type of lodging facility are:

Motels	156 rooms
B&B's	41 rooms
Cottages	81 rooms

Of the 7 motels and cottage facilities, 3 are open year-round; and of the 10 B&B's, 6 are open year-round, and 4 are open from May to October.

Based on a conversation with Jim Lovejoy, president of the Belfast Chamber of Commerce, historically the middle two weeks in July and the first three weeks in August account for the period of highest occupancy. During this period, occupancy rates among Belfast's lodging facilities average between 70% and 80%. The foliage season (mid-September to Columbus Day) accounts for the second highest occupancy period, with rates ranging from 60% to 70%. During the shoulder month of June, occupancy rates range between 35% and 40%. These rates reflect the occupancy rate among those units that are open during each period.

A second indicator is the data from the U.S. Travel Center's study, which indicated that about 16% of all trips to the mid-coast region are taken in the winter, 13% in the spring, 49% in the summer, and 22% in the fall. This breakdown shows less variation than the lodging sales tax data because it includes travellers who are not using commercial lodging (for example, relatives who are visiting for holidays) as well as those who are.

Hotel Potential

Based on the indicators of demand, Market Decisions does not believe that the necessary market supports exist for a moderate size (40 - 50 room) hotel.

Based on national performance averages that are available, moderate sized hotels (40 - 50 rooms) require a minimum average annual occupancy rate of 65% in order to be a going concern. Using an example of a 50-room hotel, a 65% occupancy rate would equate to 11,800 room nights (based on a total of 18,250 room nights -- 50 rooms x 365 days = 18,250). Based on a minimum 65% occupancy (or 11,800 room nights), each of the 50 rooms would have to be filled, on average, 236 nights per year. To state it another way, the 50 room hotel would need to be full, on average, 8 months out of the year.

Evaluating the potential for a 50-room hotel in the current lodging market in the Belfast area provides similar insights. As indicated, there are currently 279 lodging rooms in Belfast. As discussed earlier, the facilities experience wide fluctuations in occupancy during the year. Assuming all the units were open year-round and an average occupancy rate of 40%, this assumption would equate to approximately 41,000 room nights (279 rooms x 40% = 112 rooms x 365 days = 40,880 room nights). As indicated, a 50-room

hotel at a minimum 65% occupancy would generate approximately 11,800 room nights. The addition of this hotel project would increase the number of room nights in Belfast by about 45%.

Based on the indicators of demand and the requirements of a new 50-room hotel, Market Decisions does not believe that the necessary market supports currently exist for a moderate sized hotel in Belfast. However, economic development in the Belfast LMA may make a hotel project possible. If, for instance, the Seaport Cargo facility were to be built, this could serve as a catalyst for a hotel on the waterfront in Belfast.

OFFICE SPACE POTENTIAL

The demand for office space depends on new business formation in the area (either by new business start-ups or regional or national firms opening satellite offices), on businesses relocating to the area, and on local businesses expanding.

The market area for office space, or the area from which a majority of office space users will originate, is the Belfast LMA. This area is identical to the area that was identified as the market area for hotel rooms. Therefore, the demographic and economic information discussed in the last section is applicable to the analysis for office space potential.

A widely accepted measure of demand for office space is the number of white collar employees in an area times 200 square feet per employee. This figure is then subtracted from the amount of office space that currently exists in the market area. The difference will indicate either the amount of pent-up demand or the potential amount of surplus space that exists.

According to the Waldo County Opportunity Zone, there are approximately 120,000 - 130,000 square feet of office space in the City of Belfast. This office space is comprised of small, second- and third-floor units in the downtown area (primarily above retail space) and a number of significant office-oriented buildings. The most notable of these is the Cobb Medical Building adjacent to the Waldo County General Hospital. This building is owned by the hospital and is oriented to medical professionals. It is two-story and contains approximately 16,400 square feet.

The Belfast Center building (previously the Etonic plant) contains approximately 45,000 square feet. This building was purchased by Cave Co. in February 1991 and is being leased to both office users and light manufacturing firms. Currently, approximately 15,000 square feet have been leased as office space and 15,000 square feet have been leased as light manufacturing space. Of the remaining 15,000 square feet, the building's owner expects that a majority will be renovated and leased as office space. Currently, the office suites that are being rented range from 300 square feet to 3,000 square feet. All the users have reportedly moved from other locations in Belfast. Currently, eight of the office space tenants are social service agencies. The base rent for office space is \$0.55 per square foot (all utilities included) per month. This rent rate equates to \$6.60 (gross) per square foot per year. This rent rate is adjusted if a tenant is a high electricity user or if additional amenities are added to the unit (such as air conditioning). The absorption rate of office space for this project has been approximately 2,500 square feet per month.

The old Steego Auto Parts building at the corner of Franklin Street and Front Street contains a total of 5,800 rentable square feet of office space. The building's owner indicated that the average rent is \$0.50 per square foot (utilities included) per month. The top floor, about 1,900 square feet, rents for \$0.60 per square foot (or \$1,150 per month).

Based on national standards, on average approximately 200 square feet of office space is allocated per white collar employee. According to the Maine Department of Labor, there was an annual average of 640 white collar employees working in the Belfast LMA in 1990. Based on an average of 200 square feet per employee, there is a current estimated demand of 128,000 square feet of office space in the LMA.

A survey of existing office space in the City of Belfast, conducted by Waldo County Opportunity Zone and Market Decisions, indicates that there is an estimated 120,000 to 130,000 square feet of rentable office space in the City of Belfast. This space does not include office space associated with manufacturing facilities such as Penobscot Frozen Foods and Stinson Canning or owner-occupied professional space such as doctors' and lawyers' offices. Additionally, based on Market Decisions' knowledge of Waldo County, there does not appear to be comparable leasable office space in the balance of Waldo County.

Based on these assumptions and square foot estimates, the current demand for office space in the market area is being adequately met by existing supply. The Belfast Center project has placed a temporary strain on the office market in Belfast. As we understand, all of the office space tenants in the project (a current total of 15,000 square feet) relocated from other space in Belfast. According to the building's owner, he has offered most of the tenants "twice as much space at the same lease rate as they were paying prior to relocating." This project is currently offering an additional 15,000 square feet of office space that has yet to be renovated or rented (but is included in the estimated total of office space).

According to data provided by the Maine Department of Labor, the number of white collar jobs in the LMA increased by 50 jobs from 1984 to 1990. If the rate of growth were to continue at the same pace over the next five years, there would be the potential for an additional 8,000 to 10,000 square feet of office space in the Belfast LMA. It is important to note that many professionals such as doctors and lawyers purchase single-family homes in the Belfast area (for reasonable prices) and convert them, in part or whole, into office space to suit their needs. Therefore, some of the estimated increase in demand may not be capturable by projects offering rentable office space.

Any future potential for the creation of an office space project on the Belfast waterfront will need to offer quality space (of which there is little in the Belfast area) in flexible sizes, with amenities such as ample parking, in order to be successful. As indicated, it appears that the current demand for office space in the Belfast LMA is being adequately served. Market Decisions believes that unless a moderate to large employer moves to the area or Belfast can position itself as a strategic location for a satellite office for firms serving the mid-coast, that there will not be adequate growth in the employment sectors that demand office space to make an office project feasible.

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Sebago Technics

